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ABSTRACT

These Congressional hearings contain testimony regarding options for restructuring the federal employment and training system. Representatives of the following agencies and organizations provided testimony at the hearings: National Commission on Employment Policy; Health, Education and Human Services Division, Education and Employment Issues, U.S. General Accounting Office; Employment, Housing, and Aviation Subcommittee; Minnesota Teamster Service Bureau; and New York State Job Training Partnership Council. Among the topics discussed during the hearings were the following: duplication of services by existing programs; benefits and drawbacks of consolidating existing federal programs; the availability and adequacy of information about the outcomes and effectiveness of individual programs; efforts directed toward comprehensive planning and programming from 1960-1994; ways in which selected legislative proposals address concerns regarding multiple federal employment training programs; the state of New York's GATEWAY initiative and Workforce Preparation Evaluation Act; and efforts of the Minnesota Teamsters Service Bureau to assist dislocated workers, improve workplace literacy, and prepare tomorrow's workers. (MN)

OPTIONS FOR RESTRUCTURING THE FEDERAL EMPLOYMENT AND TRAINING SYSTEM

ED 385 713

HEARING
BEFORE THE
EMPLOYMENT, HOUSING, AND AVIATION
SUBCOMMITTEE
OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
HOUSE OF REPRESENTATIVES
ONE HUNDRED THIRD CONGRESS
FIRST SESSION
AUGUST 4, 1994

Printed for the use of the Committee on Government Operations



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(III)

OPTIONS FOR RESTRUCTURING THE FEDERAL EMPLOYMENT AND TRAINING SYSTEM

THURSDAY, AUGUST 4, 1994

HOUSE OF REPRESENTATIVES,
EMPLOYMENT, HOUSING, AND AVIATION SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:13 a.m., in room 2247, Rayburn House Office Building, Hon. Collin C. Peterson (chairman of the subcommittee) presiding.

Present: Representatives Collin C. Peterson, William H. Zeliff, Jr., John M. McHugh, and Frank D. Lucas.

Also present: Wendy Adler, staff director; Joy R. Simonson and Linda Thompson, professional staff members; June Livingston, clerk, and Judith A. Blanchard, minority deputy staff director, Committee on Government Operations.

OPENING STATEMENT OF CHAIRMAN PETERSON

Mr. PETERSON. The subcommittee will be in order.

This is the third hearing this year that we have had in this subcommittee examining the maze of Federal employment training programs and how we might create a more effective system.

At our first hearing, the General Accounting Office testified that there are 154 programs in 14 agencies which cost some \$25 billion annually. Calling this bureaucratic maze confusing, ineffective, and wasteful, GAO stated that a major overhaul of the system is needed.

The importance and urgency of reorganizing Federal job training programs is underscored by the rising pressures to end welfare as we know it. If welfare recipients are to be pushed into employment, the need for job training and other services will be enormous. I have the fear that none of the current programs, even with increased resources, will be able to provide the range of services which will be required if we move ahead with this change in the welfare system. Restructuring the employment and training system must accompany, if not precede, welfare reform.

A different source of pressure to improve worker skills is the danger of renewed inflation. The Federal Reserve Board Chairman Greenspan, in recent testimony before the Senate Banking Committee, referred to signs of labor shortages and said, "We ought to be encouraging other measures to increase the flexibility of our work force and labor markets. Improving education and training

(1)

and facilitating better and more rapid matching of workers with jobs are essential elements in making more effective use of the U.S. labor force."

A Dun and Bradstreet survey last month revealed that employers report that finding qualified workers is becoming more and more difficult.

Just as a side note, I have a county that is up on the Canadian border, a million miles from nowhere, and where they make Polaris snowmobiles and Marvin windows. And Polaris had to locate a plant in Iowa because they ran out of labor. So we are experiencing that even in the rural areas.

Yet there are still about 8 million people in this country unemployed, and additional millions in part time or temporary jobs can't support a family. And there are continuing reports of major downsizing and corporate restructuring which result in additional thousands of frustrated dislocated workers.

The administration has proposed a Reemployment Act which would consolidate six Labor Department programs, largely aimed at dislocated workers. Several committees in the House and Senate are considering this bill, and over a dozen other bills have been introduced that would restructure Federal job training programs. There is widespread opinion that the Reemployment Act is only a first step toward the goal of improving the efficiency, effectiveness and responsiveness of the system.

Our last hearing on this subject featured high-ranking officials of several agencies with major employment and training programs. They discussed some limited efforts to coordinate their programs, but they were far from suggesting to us a blueprint of how we can move from this wasteful fragmentation of 154 programs to a more effective system.

Today, the GAO will discuss some options for restructuring the current system. The National Commission on Employment Policy, an independent agency established to make recommendations to the President and Congress on employment and training issues, will offer new approaches.

And I think State and local viewpoints can provide us a reality check. Therefore, I look forward also to the two other witnesses we have with us today. First, the chief of staff of the New York Lieutenant Governor will share New York's experience with an integrated work force development system and the lessons that it may hold for the Federal Government. And, second, the director of the local human service operation run by the Minnesota Teamsters Union will report on some exciting things that have been happening in Minnesota on their grassroots project.

It will certainly not be easy to unravel the complex spiderweb of programs and replace it with a system which is tailored to the needs of both employers and workers, flexible, efficiently administered and accountable for its outcomes. The existing programs are well-intentioned and have strong defenders, but we must use this moment of opportunity to push toward a major overhaul of the job training system.

I would now like to recognize the ranking member of the subcommittee for an opening statement and any other members who wish to make an opening statement. Mr. Zeff.

Mr. ZELIFF. Thank you, Mr. Chairman.

I appreciate your calling this hearing today to discuss potential solutions to improve the delivery of Federal job training services. Under your leadership this subcommittee has done important work by focusing needed attention on the serious problem. I hope our colleagues are listening and are as interested as we are to meeting this challenge.

Currently, the Federal Government has 154 job training programs spread over 14 different agencies, costing the taxpayer \$25 billion annually. This inefficient patchwork approach to job spreads our limited resources out very thinly and fails to effectively serve Americans who are desperately in need of these programs.

Despite evidence that many of these programs fail miserably in their mission of providing effective employment and job training services, Congress continues to fund them. Quite simply, if we are going to spend the money for job training, we owe it to those needing help to spend it well.

As I have stated before in prior hearings, making our job training programs work better is a cause that I have worked on for many years. For 10 years I was a member of the New Hampshire Private Industry Council, both for CETA and JTPA. New Hampshire has been a leader in efforts to reform our employment and job training programs, creating a one-stop system that is client oriented.

My experiences at the State level strongly influence my efforts here in Washington. Last Friday, I rose with Congressman John Kasich, Congressman John Mica and 18 of our colleagues to introduce the Employment Enhancement Reform Act of 1994, H.R. 4861. This legislation will simplify and streamline the flow of Federal job training dollars to the States to better assist Americans with their participation in the work force.

The act consolidates over 90 Federal job training programs into one flexible block grant program. States will have one set of job training definitions and regulations to implement and one funding stream to monitor. The result will be more resources devoted to effective job training services that will put people back to work and fewer dollars being wasted on administrative services.

States will also have the flexibility to target job training funds where they are needed most and be creative in providing this training. A single, more efficient job training effort will also reduce the deficit by approximately \$7 billion over the next 5 years.

This legislation also repeals the 0.2 percent FUTA—Federal unemployment tax—surtax that was adopted in 1976 and was intended to be only temporary. This repeal demonstrates to businesses that some Members of Congress are conscious of the mandates imposed by the Federal Government. This provision will take a small step toward reducing the cost of labor to business to encourage job growth.

Mr. Chairman, legislation is desperately needed to make our job training dollars work better and effectively put people into the work force. I stand ready to work with you and the administration on legislation to implement the reforms necessary to accomplish this goal.

I look forward to hearing from our witnesses today on their views regarding the changes that Congress must make, as well as innovative programs that are already being implemented.

Thank you, Mr. Chairman.

Mr. PETERSON. Thank you, Mr. Zeliff.

Mr. Lucas? Any other members that have opening statements, without objection they will be made a part of the record.

Our first panel of witnesses today are Anthony Carnevale, who is Chairman of the National Commission on Employment Policy, and Clarence Crawford, Associate Director for Health, Education and Human Services Division, Education and Employment Issues, with the General Accounting Office.

We welcome you both to the committee. It is our custom in Government Operations to swear in witnesses because these are investigative hearings. Do you have any objection to being sworn? If not, would you please rise and raise your right hands?

[Witnesses sworn.]

Mr. PETERSON. Both your written statements will be entered in the record in their entirety, so if you want to summarize that would be fine.

Mr. Carnevale, I guess we are going to start with you. Do you have people with you today?

Mr. CRAWFORD. They are with me.

Mr. PETERSON. When we get to your point, you can identify who they are.

Mr. Carnevale, welcome to the committee.

**STATEMENT OF ANTHONY P. CARNEVALE, CHAIRMAN,
NATIONAL COMMISSION ON EMPLOYMENT POLICY**

Mr. CARNEVALE. Thank you. Thank you for inviting us here today.

In addition to chairing the National Commission for Employment Policy I am also the vice president and director of human resource studies for the committee for economic development, which is a . association of 250 CEO's of American companies with an equally deep interest in this set of issues.

Much of what I say today will derive from experiences in those institutions that I think are directly transferable to the problems we face in public employment and training programs, that is, the need to essentially reengineer, rebuild, and restructure these programs so that they are more effective and delivered with a universal quality.

We have been here before on this issue. That is about—there seems to be a cycle in Federal employment and training programs that occurs about every 10 years. We are profligate for a decade or so in creating programs. And at the end of every decade we seem to move toward consolidation. MTDA and then CETA and JTPA are now all episodes of consolidation that have occurred after the creation of a multiplicity of programs.

I think what we need to do this time is to build a process that assures that 10 years from now we won't be back here again talking about the same issue, a process that is self-correcting and a process that allows us to continuously include Federal purposes and programs in some cohesive whole.

The difference this time, though, I would argue, in this conversation about consolidation and building a more efficient system, is that the conditions have changed. A primary difficulty in the current moment is that we don't have much money. The Federal Government is strapped and so are State and local governments.

And so it behooves us now more than ever to build some kind of an intergovernmental, a Federal, truly Federal, State, and local training system that makes best use of resources. We've got to find ways to combine our moneys both in the public sector and in the private sector so that they are used most effectively. In an environment of constrained resources, inefficiency and duplication is most harmful.

Second, it seems to me that the other difference this time around is that the needs have changed on us dramatically. We started out in the 1930's and 1940's worried about the employment and training of all Americans on the heels of the Great Depression. After World War II, the economy worked so well we stopped worrying about mainstream Americans, and in the 1960's we dedicated most of our resources to Americans who are outside the economy. The rest of us were doing pretty well.

And then in the 1970's we began to experience dislocation and reduced productivity and competitiveness problems, and ever since we have been slowly moving back toward the original conversation and that is the development of a system of employment and training services for all Americans, not just the disadvantaged, the dislocated and the poor.

And that is, I think, essentially the context that surrounds the debate over the administration's bill and the building of a new employment and training system.

The other difficulty we face at the moment is that there have been profound changes in the private sector. American institutions have, as a matter of necessity, become lean in a new competitive environment. They are building flexible institutions, using flexible technologies, and they want a flexible work force.

The difficulty is that for more and more Americans, flexible is a fancy word for fired or for a job without benefits or a job without protections, a job without training and employment services, and so it behooves us I think as a Nation, if we are to ensure the flexibility of the American economy, which is its principal competitive advantage, I would argue, is that we need to build a set of tools for workers that will allow them to be flexible.

The health care debate is about that—portable pensions, family considerations, day care, parental leave. Those debates are about that, and I think this debate is about the need to build labor market information and employment and training services that will allow Americans to move from one job to the next fluidly, without major dislocation for families.

I think the fourth thing that is different—and it is the best news I think in this conversation—is that there have been dramatic improvements in the practice of—in managerial practice, in organizational design and in the ability of information systems to make—to create efficiencies and high-quality service in complex institutions in the private sector. And there is much to learn from that,

and I think the solution to our problem lies in those new organizational information technologies.

To the point, let me make what I think are the general recommendations that are floating around these days on this issue, and one is that we need to consolidate as many of these programs as we can immediately. There are some obvious candidates for consolidation and even for elimination that are discussed in various bills floating around the Congress.

Second, it seems to me we need to establish some sort of an oversight board or committee that lasts for a specific duration—somewhere between 3 and 4 years—that would continue the process of consolidation and oversight until we felt that at some point we had a system that was streamlined and effective.

I would argue, as argued in H.R. 4407, that it is probably a good idea to ask the National Commission on Employment Policy to report to that Commission and make recommendations on program consolidation and streamlining of administrative processes.

In addition, I think that it is reasonably clear that we need to institute a series of reporting processes to the Congress, an annual report perhaps from the National Commission and other institutions on the employment and training system and its efficiency. The old employment and training report of the President, which was around up until about a decade ago, served that purpose and has now disappeared. We should reinstitute that and issue it annually.

Finally, I think that the most important thing I'd like to leave you with today is that I think our approach to reform should be consistent with modern management and information practices in other institutions outside the public sector. What I mean by that is that, essentially, the problem we face is the same one faced by modern American businesses.

Their need to build lean institutions and to create quality service systems and highly decentralized structures led them to use information-based solutions. In the case of Federal employment and training programs, we can consolidate a lot of them, but there is an inherent diversity in these programs. That is, you can't use the same program authority and the same program deliverer to serve handicapped individuals as to serve a veteran, a disadvantaged worker, a dislocated worker. And even youth and adults have different needs.

We need a system that can account for that diversity, a system that can deliver variety and customize the treatments necessary for different kinds of clients located in different kinds of areas. We need a system that, in the final analysis, is sufficiently decentralized to handle all these specific needs but at the same time across the system delivers efficiency, eliminates duplication and waste and a system that provides a consistent quality.

The way that sort of structure is generally arrived at in private institutions is by using information, by building, first, management information systems that tell you in all the decentralized parts of your institution and the separate and autonomous units out there what they are actually doing in the case of employment and training programs.

We could use a simplified common core of information that would substitute for virtually for all of the current bureaucratic oversight kinds of procedures that are installed in current law. All of the programs train. All the programs provide education. All of them—virtually all—provide job search assistance, counseling, job development, placement. And if we could simply build a reporting system across all the programs in those categories, we would have a management information system that told us what the system was doing that would allow us to give autonomy to the subunits out there in the States and localities.

Second, we need to build information around the effects of these services. If we educate and train, we need to know how much learning occurs.

And, third, we need to build information on the outcomes of these services. The UI wage record data base, which is currently available to us, can tell us in all of these programs and across all of these programs what the earnings and employment effects of the various programs are. That is a data base that is available now. It is much cheaper to use than the current evaluative structure in Federal employment and training programs.

And, finally, we need some labor market information. One of the questions that is constantly begged in this dialog on consolidation I feel is the basic issue with training and that is training for what? Where are the jobs? Until we can understand more clearly where the jobs are in the American economy, our employment and training programs will always be hobbled for want of that information. That information is available, again, in the UI wage records system and could be built rather easily, frankly, into a system that would provide both local information on where the jobs are and national information as well.

So I think, apart from immediate consolidations and elimination of redundancies in programs and consolidation around missions and client groups, we need to build an information system in the end that will guarantee continuous improvement in these programs, tell us where the jobs are related to training and education, allow us to decentralize the structure—because with the management information system in place you don't need to run the programs from here. You can eliminate most of the other oversight in the program structure—and a system of information that tells us what the outcomes of the programs are so that we can decide whether the system is working or not.

Thank you.

Mr. PETERSON. Thank you.

[The prepared statement of Mr. Carnevale follows:]

STATEMENT OF
DR. ANTHONY P. CARNEVALE
CHAIRMAN, NATIONAL COMMISSION FOR EMPLOYMENT POLICY
BEFORE THE
SUBCOMMITTEE ON EMPLOYMENT, HOUSING AND AVIATION
COMMITTEE ON GOVERNMENT OPERATIONS
U.S. HOUSE OF REPRESENTATIVES
August 4, 1994



Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to appear before you this morning to discuss the development of options for an improved workforce development system.

I am the Chairman of the National Commission for Employment Policy (NCEP), an independent advisory body that reports to both the President and the Congress on the employment needs of the Nation and policies to meet those needs. The Commission consists of 15 members appointed by the President, who designates one member as Chair. The law requires that members represent business, labor, commerce, education, agriculture, veterans, current state and local elected officials, community-based organizations, assistance programs, and the public at large. Commissioners are uncompensated and serve three-year terms.

Assisting the Commissioners in their work is a permanent 14-member staff of senior economists, labor lawyers, program experts, and support personnel, whose expertise can be supplemented as needed through personnel loan agreements with universities and other governmental agencies at federal, state, and local levels.

The Commission's mission fits squarely with the subject of these hearings. Our Congressional authorization specifies that we ...

- o identify the employment goals and needs of the Nation and assess the extent to which ... [current policies and programs] represent a consistent, integrated, and coordinated approach to meeting such needs and achieving such goals....*
- o examine and evaluate the effectiveness of federally assisted employment and training programs, including those authorized by JTPA and other laws... [and]*
- o study and make recommendations on how, through policies and actions in the public and private sectors, the Nation can attain and maintain full employment....*

These three mandated responsibilities provide us with both the authority and the focus for our efforts. The first, in particular, is tailor made for the current debate on consolidation, or how to develop a consistent, integrated, and coordinated approach to workforce development. The second speaks to the question of how to ensure that the publicly funded training programs that are in place are effective and meeting customer needs. The third concerns the bottom-line issue, "Training for what?" What kinds of jobs are out there for individuals who successfully complete training programs? Indeed, what kinds of jobs are out there for any youth or adult who is seeking employment?

I should point out that the Commission's current staff is roughly divided into two research teams. One group of program and public policy experts is focusing on programmatic concerns, including consolidation and governance issues, while the second, made up of economists and labor lawyers, is looking at the impact of technological change on jobs and wage differentials, the phenomenon of contingent workers, and other specific employment issues.

Our concern today, however, is the issue of program consolidation. The General Accounting Office (GAO) has performed a valuable service in pointing out where there are redundancies in the various programs that have grown up over time to assist in workforce preparation. It is interesting to note that this discovery parallels what has become a regular historical "cycle" in the history of federally funded training programs. Over the past thirty years, periods of strong program growth have alternated with efforts to rationalize the system that has been created. Most often, these reform efforts, which tend to recur every ten years or so, have focused on the need to consolidate individual categories of programs into block grants or to develop more coordinated planning at state and local levels of government.

In the sixties, for example, Congress authorized the Concentrated Employment Program (CEP) and the Cooperative Area Manpower Planning System (CAMPS). In the seventies, the Comprehensive Employment and Training Program (CETA) was designed to decentralize and decategorize training programs. And in the eighties, the Job Training Partnership Act (JTPA) continued these trends, with additional emphasis on creating partnerships between local government and private businesses in the oversight of community projects.

This is a new era for the consolidation of federal programs. What is different now in contrast to previous attempts at consolidation and reform is (1) We live in an era of constrained resources in which Federal, state, and local governments have insufficient funds

to meet the employment and training needs of all Americans; and (2) the needs themselves have grown. Originally, in the 1930s and 1940s, on the heels of the Great Depression, Congress earnestly debated policies to match public resources to the employment and training needs of all Americans. That debate culminated in the Employment Act of 1946, whose fiftieth anniversary we will be celebrating in 1996. Throughout the 1950's and 1960's, the American economy grew almost effortlessly and provided an abundance of job opportunities for mainstream Americans. With the post-World War II boom, there seemed little need to provide universal employment and training services for all Americans. In the sixties, we turned our attention to those Americans who were outside the mainstream economy and developed policies for their inclusion.

With the productivity decline and competitiveness problems that began in the 1970s, we began to experience job dislocations among mainstream Americans once again. Since that time, we have been slowly moving back toward the debate prevalent in the 1930's and 1940's, which envisioned providing employment and training services for all Americans. These hearings and the general debate that has emerged around the President's Reemployment Act occurs in that context. The challenge for the Congress is to meet these expanding employment and training needs in an era of constrained public resources. We are, after all, not here simply to eliminate programs, but rather to create a system of workforce development activities that will carry us into the next century.

A third difference from previous consolidation efforts is the increased intensity of competition that is forcing American employers to be "lean." In order to compete in the new economy, employers must use flexible technologies, flexible organizational structures, and flexible workers. American workers need to become more flexible, but we cannot allow flexible to become just a fancy word for "fired." We can be lean without being mean. Indeed, if we want American workers to be flexible, we are going to have to give them the tool kit that will make them flexible, and the tools needed in that kit include portable health care, portable pensions, family services such as day care and parental leave, and -- more to the point of our current discussions -- labor market information and employment and training services that will allow workers to take responsibility for their own career development and make positive transitions from one job to the next.

In the final analysis, the challenge before you is to create an effective employment system that will provide high quality services in an environment of scarce resources. The challenge you face is exactly the same challenge faced by most American employers. Up until the early seventies employers won the competitive race based on their ability to produce high volumes at low prices. Since then, our competitors have taught us the hard way that we not only needed to provide the lowest price but quality, variety, customization convenience and speed as well. Employers have met the new standards by pushing decision making authority along with new flexible technologies down the line toward the point of production or service delivery and at the interface with the customer. These new decentralized "high performance work" formats, however, do not just let individual business

units or suppliers do their own thing. That would be a prescription for chaos and fragmentation that would inevitably increase the gross inefficiency and uneven quality we already find in our current training system, not to mention our highly fragmented health care and education systems.

The business solution is to avoid fragmentation by integrating complex institutions with information and performance standards that allow autonomy in individual business units while guaranteeing overall efficiency and consistent quality. Information and standards tend to come in four kinds: (1) management information that monitors activities, discourages redundancy and inefficiency, and provides a basis for effective consolidation; (2) information on the effectiveness of individual services; (3) information on overall outcomes; and (4) customer information that both makes the service user friendly and provides customer feedback.

We have already begun to reform our education and health care systems based on effective management information and outcome standards and we should do the same for our fragmented training programs. Those programs need to meet the same performance standards that American business has learned to achieve in production and service delivery. The new business standards of efficiency, quality, variety, customization, convenience and speed have become standards for all organizational performance. Why should public training be held to a lower standard than private enterprise, especially when the

technologies and high performance formats pioneered in private business over the past twenty years are as available in public as in private institutions?

We do, after all, want training programs delivered efficiently with high quality. We want programs capable of responding to the variety of client needs ranging from the disadvantaged to the dislocated worker, from veterans to older Americans. We also want programs that can customize services to the broad diversity of individual situations, from those that serve the physically and emotionally challenged to those that are delivered in the distinctive context of the American Indian. And, finally, we want programs that are delivered conveniently and quickly to all Americans who require assistance.

The business solution to our current dilemma with our employment and training programs should begin with information systems. The current system is fragmented, inefficient, and provides uneven quality of services. If we were a business institution, the way we would encourage efficiency and a greater consistency of quality is by developing a network of providers, integrated by information on outcomes of the services provided, and not by cumbersome regulations and bureaucratic requirements.

Having acknowledged the need for reform, however, we must now go beyond it to the next step, which is to develop an actual "blueprint" for a new system that will work more efficiently and effectively than our current fragmented efforts.

A BLUEPRINT FOR REFORM

I begin with two biases that arise from my own involvement in private sector experiences with building "high performance" training systems.

First, we must keep our eyes on the ultimate objectives of consolidation. I believe strongly that the current consolidation dialogue needs to balance four interrelated goals: *efficiency, effectiveness, flexibility, and accountability*. The efficiency goal is best served by reducing administrative costs and increasing the proportion of funds going into services. Flexibility can be achieved by allowing state and local discretion wherever possible in programmatic choices. Accountability in a decentralized system derives from establishing consistent management information and outcome measures. Effectiveness should be measured in terms of the ultimate goal of achieving greater employability and earnings.

Second, it is clear that increasing flexibility in the absence of a strong management information system (MIS) and measurable outcome goals is not advisable. I have in mind a franchise-type model, long since typical in private companies. Businesses like Sears, Manpower, Inc., VISA and any number of similar franchise operations are state-of-the-art models of highly decentralized structures that combine MIS and measured outcome goals to promote efficiency and quality in subunits without violating their operational integrity.

Based on these two presumptions, the Commission's plan for improving the current workforce development system would follow these steps:

(1) Begin immediately to eliminate or consolidate programs that are either unfunded or clearly duplicative in nature. This ongoing process needs to be deliberate, based on an analysis of existing programs. H.R. 4407, the Consolidated and Reformed Education, Employment, and Retraining Systems Act (CAREERS Act) proposal, introduced in the House on May 12, 1994, calls for the establishment of an independent body to manage the reform effort. We concur with the need for such a body but recommend that representatives from both the Congress and the Executive Branch serve, and that it remain in existence for a period of three years, rather than two, so that early initial progress in consolidation could be assessed before the oversight function is terminated.

We also agree that a neutral body without programmatic responsibilities should be assigned the task of conducting a one-year study for the purpose of making recommendations to develop a comprehensive and coherent system of lifelong learning. As H.R. 4407 suggests, the National Commission for Employment Policy would be ideally suited to this task, which parallels our first broad mandate. We concur with H.R. 4077 that there should be an initial report recommending further consolidation after one year. We would also recommend this initial report be followed by six-month progress reports and a final report at the end of three years that would summarize the current status of consolidation.

Thereafter, we further suggest that a report be provided to the Congress every two years with an additional progress report on consolidation, containing recommendations for any additional changes required. It is my belief that there needs to be an ongoing process in place to assure that Congress will continue to receive the information it needs for ongoing assessment and continuous improvement in the employment and training system.

(2) Develop a common information system that cuts across program lines. This will allow us to make comparisons and managerial judgments that increase the effectiveness of programs. I used the example earlier of Sears, Visa, and other franchise models that allow managers at all levels to know almost instantly what is happening in specific localities. Given the advances in computer technology, there is no reason that the public sector cannot strive for similar results.

Within this system, four kinds of information should be gathered:

(A) Management Information. Parallel management information systems would enable program operators and administrators to know what the programs are accomplishing. Progress in the development of such a system would require the establishment of common eligibility and service definitions and elimination of excessive reporting requirements. The Commission fully supports the work of the "Common Core Data Elements Work Group," an interagency task force that issued a draft report on "Core Data Elements and Common Definitions for Employment and Training Programs" last February.

(B) Labor Market Information (LMI). More attention must be given to developing adequate information about the kinds of jobs that are being created. We believe that the UI wage record system could also be used to provide more useful information about the kinds of jobs that are being created nationwide. This new effort should be located in the State Employment Security Agencies. Basic functions like vocational assessment, job counseling, job search assistance, and job development need to be embedded in public institutions. We need to build on a core of strong public institutions that were created originally by the Congress to meet the needs of American workers. In addition, the public Employment Service, which has for many years prepared labor market information for local areas and states, should be integrally involved in the development of a renewed system of LMI, including expanded usage of UI wage records for evaluative purposes. These public institutions are needed to ensure the integrity of the data collected to protect sensitive employer information and to meet other related concerns of confidentiality.

(C) Program Effectiveness and/or Outcome Data. These would establish individual learning gains and employment and earnings effects, following specific services and treatments. Learning gains from programs aimed at educational objectives could be measured by standardized achievement tests. Employment and earnings effects from occupational training programs should be measured by tracking pre- and post-earnings experience through the Unemployment Insurance (UI) data base. The latter is a unique data base tying unemployment insurance wage and employment records to the JTPA program. The technique allows for the tracking of pre- and post-program employment and

earnings experience of adult participants. Where records are kept on individual treatments (i.e., employment services, training, OJT, etc.), their effectiveness in promoting employability and earnings can be directly assessed. In the 1992, JTPA Reform Amendments, Congress directed the Bureau of Labor Statistics to begin exploring how to expand this system nationwide, and the Commission would recommend that this effort go forward as rapidly as possible. We also acknowledge that many pieces of legislation and departmental regulations contain reporting requirements. Any reform of the system would need to ensure that the revised system did not become an overlay on already existing requirements.

(D) Customer Information. Tying MIS, LMI, and UI wage record data together should make it possible to make program effectiveness data available to "customers" -- namely, prospective participants, counselors, and others.

Based on all of this information, we would recommend that Congress also assign the task of preparing an annual Employment and Training Report, modeled after The Employment and Training Report of the President, previously published by the U.S. Department of Labor. The new report, which would be published annually, would be broader in scope than the previous report, including evaluative program data from all publicly funded workforce preparation programs in all Federal Departments. We would also urge that the annual report include information about training provided by business and others in the private sector. To develop this report would require that program data and

labor market information be regularly provided to the agency responsible for the report by Executive Departments in charge of programs. Because the reporting requirements recommended here cut across Federal Departments and are of interest to both the Administration and the Congress, we would further recommend that both the biennial reports on consolidation and the annual employment and training report be prepared by a free standing agency that reports both to the President and the Congress. Obviously, we are one such institution and we would welcome the mission if the Congress and the Administration should want us to take it on.

Thank you for allowing me to speak to you today. I will be happy to entertain any questions you might have about either the Commission or my testimony.

STATEMENT OF
DR. ANTHONY P. CARNEVALE
CHAIRMAN, NATIONAL COMMISSION FOR EMPLOYMENT POLICY
BEFORE THE
SUBCOMMITTEE ON EMPLOYMENT, HOUSING AND AVIATION
COMMITTEE ON GOVERNMENT OPERATIONS
August 4, 1994
APPENDICES



APPENDIX A

GUIDING PRINCIPLES FOR CHANGE

The issue of coordination and consolidation is currently at the forefront of Congressional efforts to reform the existing education and training system. The General Accounting Office (GAO) has suggested to the Congress that a major structural overhaul and consolidation of employment and training programs is needed in order to create a customer-driven employment system. In my judgment, the GAO is correct in arguing for major structural or systemic change, but I would underscore the point that there is a need to go beyond the mere consolidation of existing programs. In light of the great changes occurring in the economy, the goal must be nothing short of reconstructing from disparate pieces an efficient and effective labor market exchange where workers can go to find jobs and employers can go to find workers who meet their standards. It is a structure of this kind that will support the labor market flexibility, which is the primary source of our competitive advantage in the global economy.

The current consolidation dialogue needs to balance four interrelated goals: **efficiency, effectiveness, flexibility, and accountability.** The efficiency goal is best served by reducing administrative costs and increasing the proportion of funds going into services. Flexibility is achieved by allowing state and local discretion wherever possible in programmatic choices. Accountability in a decentralized system is best achieved by establishing consistent management information and outcome measures. Effectiveness should be measured in terms of the ultimate goal of achieving greater employability and earnings.

Based on its understanding of these needs, the Commission is advocating the development of a consistent cross-program MIS system and an Unemployment Insurance (UI) wage record data-based evaluation system. It is also offering to study current employment and training programs to assess the four interrelated goals identified above and to make recommendations to the Congress with regard to necessary changes.

As part of the latter effort, the Commission has already undertaken the following projects: (1) A review of current evaluations of training programs administered by the U.S. Department of Labor; (2) an analysis of the Administration's Reemployment Act of 1994 proposal, which calls for the consolidation of several programs for displaced workers; and (3) a review of past and current program coordination efforts undertaken by the federal government and some states and localities.

Based upon its current state of knowledge and preliminary study results, the Commission has promulgated the following core principles for change:

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CORE PRINCIPLES

- (1) Coordination or consolidation must not be looked upon as an end in itself. The issue is: Coordination for what purpose?

Whatever is done by way of consolidation must make sense from a service point of view and must accomplish the goals originally envisioned by legislators for workforce preparation.

- (2) There is a need for strong leadership at all levels - federal, state, and local.

No single entity at the federal level is currently charged with the responsibility for coordination. Far more attention and leadership needs to be focused on this objective at the federal level and a central point of responsibility assigned. Similarly, at state and local levels, where Human Resource Investment Councils are functioning well and local one-stop career centers are in operation, efforts should be made to disseminate best practices.

- (3) There is a continuum of remedies from which to select.

The need to enhance coordination, eliminate duplication, and otherwise attempt to develop a seamless web of services calls forth remedies ranging from incremental, immediately achievable approaches such as the granting of waivers to the comprehensive structural changes envisioned in the Reemployment Act and other proposals for consolidation. Some of these remedies are administrative in nature; others require major legislative revisions. While sweeping reform may in the long run be the best remedy for eliminating duplication and inefficiency, there are other interim steps toward this goal that would be helpful, and that deserve consideration.

GUIDING PRINCIPLES FOR CHANGE

- (1) The Commission supports the concept of a national dialogue on systemic reform of our training and education systems.
- (2) The Commission endorses the concept of consolidation of programs serving similar target groups.
- (3) The Commission supports two interim steps for enhancing coordination: The establishment of a central waiver authority outside the Executive Branch and efforts to make basic program requirements (definitions, funding cycles, etc.) compatible.

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- (4) The Commission believes that broad planning and oversight responsibilities at federal, state, and local levels should continue to be promoted, and suggests that more flexibility be allowed in the development of state and local planning councils. In conjunction with this, the Commission believes that information about best practices should be made available to state and local administrators on a regular basis and that funds for capacity building should be disseminated widely throughout the system.
- (5) The Commission strongly endorses the development of a comprehensive cross-program management information system (MIS) that will enable federal administrators to gather program data in a timely fashion.
- (6) The Commission supports the development of common performance outcome measures for all workforce preparation programs and activities and the development of an adequate data base for this purpose. In particular, it advocates expanded use of UI wage record data for evaluative purposes. The Commission was instrumental in beginning the development of a national UI data base and recommends the inclusion of all states in this system.

Anthony P. Carnevale
 Chair, National Commission for
 Employment Policy
 Washington, D.C.
 July 1994

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APPENDIX B

GUIDING QUESTIONS FOR CONSOLIDATION STUDY

1. Why consolidate?

Simplicity? Efficiency? Improved Services? Cost savings? Sounds good?

The joint Kennedy/Kassebaum statement calls for transforming federally funded job training efforts from a collection of free-standing categorical programs into a coherent, integrated, accountable work force development system. It also calls for a system based on the needs of job-seekers and employers alike. It is important to have a clear understanding of the reasons for consolidation so that the solutions can flow from that overall goal.

2. What is meant by consolidation?

Is the goal to put all programs under a single federal administrative agency? To develop a single delivery system? To eliminate all differences in eligibility, funding cycles, target groups, and legislative authority? To allow differences but make different pieces of legislation and programs more compatible? Is coordination an acceptable alternative for some/all programs? Again, it is imperative that "consolidation" be defined clearly so that all parties to the debate understand the intent of the current effort.

3. How consolidate?

Legislation? Waivers? Administrative actions (e.g., coordinated planning)? Other? Waivers have been suggested as an interim step in the effort to integrate programs, end duplication, and otherwise add coherence to a fragmented system. Are waivers the answer? Should there be a central waiver control office established? Is legislation the preferred solution? What are the pros and cons of each of these pathways to integration? Should programs that are currently authorized but unfunded be eliminated? In the past, efforts have been made to coordinate activities through comprehensive planning or program oversight. Are there administrative remedies that have proven effective?

4. What categories of services should be consolidated?

Should all programs which affect occupational preparation and operated by any federal agency (including economic development, medical education, vocational education, JTPA, JOBS, ROTC, Pell Grants, student loans, etc.) be consolidated into

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a single program? Should consolidation be limited to those programs that authorize workforce development, placement, and support services for occupations that require less than a bachelor's degree? Which services to employers should be covered? Should some programs be consolidated and others have legislative provisions aligned to allow for easier coordination? Should programs that have other primary objectives (e.g., drug rehab, food stamps) be precluded from providing employment and services of any kind?

5. Which occupations should be covered?

Should all programs that involve occupational preparation, including professional (medicine, law, engineering) and continued education, be included in this rationalization effort? Should we limit changes to preparation for occupations requiring less than a college education?

6. Who should be served?

The Kennedy/Kassebaum joint statement calls for a consolidated system, readily accessible to any worker, job seeker, or employer. Most current federal programs (with the exception of student loans and grants) do not provide training or education assistance to current workers, and services to employers are limited. Expansion of eligibility to the general population would have major budget or service allocation implications. Would broader eligibility preclude targeting to special populations (e.g., veterans, MSFWs, Native Americans, displaced homemakers, the mentally or physically challenged)? How do you ensure broad and equitable access, yet ensure adequate service to those with special needs?

7. How should funds flow?

Should funds be distributed to individuals in the form of loans, grants, or vouchers (e.g., GI Bill, Pell Grants, or student loans)? Should they go to educational institutions (e.g., Carl Perkins vocational education funds)? Should the federal government contract directly with service providers or government entities (e.g., historical categorical programs and current Title IV programs for migrant and seasonal farmworkers, Native Americans, and Job Corps programs)? Should the money be allocated by formula to State and/or local governments (e.g., Job Training Partnership Act programs)? Should funds go to Governors and state agencies (e.g., JOBS program)? Should matching funds be required (e.g., historical Manpower Development and Training Act programs, current Job Opportunities and Basic Skills program)? Should employers receive direct funding for services and/or tax credits (e.g., JTPA on-the-job training contracts, Targeted Jobs Tax Credit)? Should there be a mix of approaches, as we have under the current system?

Each approach has its own strengths and weaknesses. Direct loans, grants or vouchers to trainees or students allow customers a high degree of flexibility and choice, but generally exclude testing, counseling, or other support services. Allotment of funds to state or local governments increases both administrative costs and the layers of bureaucracy between the source of funds and the individual. Direct funding by the federal government to clients or service providers excludes state and local direction.

8. Should those who benefit be required to pay part of the costs?

Should students, participants, and employers be required to bear some part of the costs of services (e.g., student loan programs or previously proposed Individual Training Accounts)?

9. What is the best form of governance? Inter-governmental relationships between federal, state, and local governments? Role of the private sector? Role of community-based organizations?

The Kennedy/Kassebaum statement calls for a system that provides flexibility and responsibility to the states, and in turn to local communities, for design and implementation of job training systems. It further states that the role of the federal government in such a system should be limited to providing overall policy direction, articulating the authority and the role for each level of government, providing resources to execute the policies, overseeing system-wide performance, and disseminating best practices.

Current programs have a variety of federal, state, and local planning/oversight boards (e.g., National Commission for Employment Policy, State Job Training Coordination Councils, Private Industry Councils). Are these boards effective and should their roles be expanded (e.g., state Human Resource Investment Councils and proposed Workforce Investment Boards)? Who has the major oversight responsibility? Historically, the roles of federal, state, and local governments have differed with regard to training programs, education programs, supportive services. How can these differences be resolved? What is the proper role of the private sector in the delivery of services? What is the role of community-based organizations?

10. How should the quality of services and the overall effectiveness of the program(s) be assured?

Should we depend on performance standards as under JTPA? Accreditation of institutions as under the student loan program? Other approach? Should performance be measured on an outcome vs. process basis?

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APPENDIX C

NCEP CONSOLIDATION STUDY PROJECTS

To begin work on consolidation issues, I have asked Commission staff to undertake a number of specific projects. Among those already completed are the following:

(1) Historical Review of Previous Federal Employment and Training Programs

A staff review of the last thirty years of federally funded employment and training programs, with special emphasis on the results of earlier efforts to coordinate and consolidate programs. A list of lessons learned from these earlier experiments is included as Appendix C.

(2) Review of Human Resource Investment Council Development in the States

Staff research included in historical review above. Looks at current status of state efforts to consolidate planning/oversight of human resource development programs by forming State Human Resource Investment Councils, as recommended in the JTPA Reform Amendments of 1992.

(3) Summary of USDOL, GAO, and Other Program Evaluations of USDOL Employment and Training Programs

Staff summary review of extant program evaluations for USDOL-administered programs during the past 5 years. Studies reviewed include those by USDOL contractors, the U.S. General Accounting Office, NCEP, and others. General conclusions included in Appendix D.

(4) Review of the Proposed Re-Employment Act of 1994

Staff review of the proposal to consolidate programs for displaced workers, including the impact of certain provisions on the current Unemployment Insurance system.

In addition to these four completed in-house studies, the Commission recently funded two projects designed to elicit the specific information that will be needed by the Congress for the present reform effort.

The first is a "Summary of Major Federally Funded Employment and Training Programs," which when completed in the next several weeks, will provide a summary of pertinent data for all major federally funded employment and training programs, including highlights of the legislation, eligibility criteria, and schematic presentations of inter-

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governmental administrative responsibilities and funding flows. Information on administration and funding is presented for each program in a consistent fashion so cross-program comparisons can be made quickly. I have a sample of this material with me today so that you can see what a useful resource this will be.

A second contractor is examining the three major workforce preparation delivery systems (education, government-sponsored training, and employer-sponsored training) now operating in the United States. The study's objective is to point out specific barriers to consolidation; areas of compatibility that could assist in consolidation efforts; areas of transferability (i.e., good ideas from one system that could be moved into another); and cost issues related to consolidation.

In addition to these ongoing and recently completed studies, the Commission has over the past several years examined the issue of coordination in workforce development programs through a variety of projects. In 1992, a series of federal, state, and local forums that involved practitioners, administrators, and elected officials at all levels, business representatives, and other interested parties gathered information, which is currently being supplemented through NCEP staff linkages with other partners (NGA, NAPIC, and others) in the system. Earlier studies examined the legal and fiscal disjunctions between employment and training programs and vocational education. All of this information and other material gathered in the course of our current work will go into producing what we hope will be sound recommendations for the development of a consolidated system.

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APPENDIX D

HISTORICAL REVIEW OF COMPREHENSIVE PLANNING AND PROGRAMMING
1960 - 1994

CONCLUSIONS

Comprehensive Planning

A review of efforts to promote coordination through comprehensive planning systems, such as the Cooperative Area Manpower Planning System (CAMPS) and state and local planning bodies under the Comprehensive Employment and Training Act (CETA) and the Job Training Partnership Act (JTPA) point to the following difficulties:

o Lack of involvement of all agencies administering workforce development programs with similar missions.

The U.S. Employment Service and the Work Incentive Program, the largest training program for welfare recipients in the 1960s, were not included in the CAMPS planning process. There are currently separate councils for JTPA, vocational education, and other programs in many areas, and under current JTPA law, the State Council on Vocational Education has the option of remaining apart from any broad Human Resource Investment Council, while vocational rehabilitation programs are legally excluded from the umbrella planning organization, even though in some states that have developed coordinating bodies on their own, vocational rehabilitation administrators have asked to become part of the planning process.

o Program funding proceeds without regard to plan content.

Although JTPA now requires that every state have a Governor's Coordination and Special Services Plan (GCSSP), signed by the Governor, in place before JTPA funds can flow into the State, the federal review process takes many months and appears to have no bearing on the funding process. This was also the case under CAMPS and under CETA. Currently, under JTPA, there is very little connection between planning and programming at any level. This also appears true for programs authorized by the Carl Perkins Vocational and Technological Education Act, the McKinney Act, and Family Support Act (JOBS), and other federal legislation requiring state and local plans.

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- o No follow-up to ensure that the plans are being implemented.*

Although local program operators under JTPA are subject to performance standards, the local job training plans, particularly as they relate to coordination goals, are rarely subject to review of actual outcomes. Similarly, the state GCSSPs, once given an initial review by the Department of Labor, are not monitored. Under the JTPA system, review of state and local coordination activities are rarely monitored. In addition, given time constraints, the process of securing sign-offs by PICs and SJTCCs on the plans prepared for other programs plans is frequently cursory.

- o Inadequate labor market information, especially at local levels.*

For a variety of reasons, including lack of funding, local labor market information is frequently lacking or of very poor quality. Because of this, local job training plans may not be based on up-to-date employment projections.

- o Planning bodies are closely identified with a single agency (DOL in particular) and are looked upon with suspicion by other federally authorized planning bodies.*

Since existing SJTCCs have frequently formed the nucleus for new, broader Human Resource Investment Councils, some members of the existing State Councils on Vocational Education and other state-level councils have viewed HRICs with suspicion and have elected to remain apart. Personal relationships, built up over time, can sometimes overcome these territorial barriers, but it is difficult to meld existing councils into a single oversight body and it will certainly take time to reach the level of coordinated effort expected.

- o Planning guidance issued by federal agencies is routinely late, unclear, and sometimes requires entirely new or complex responses that make it impossible to comply in the time remaining in the planning cycle.*

State and local planners in JTPA frequently complain that federal planning guidance leaves almost no time to respond adequately, and in some instances there is no early warning that additional requirements have been added that will make it almost impossible to comply in the time allowed. If the planning process is to be considered an integral part of a new integrated system, more attention needs to be given to the timing of planning instructions and requirements.

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o Voluntary nature of planning bodies leads to turnover.

Since members are uncompensated, turnover can become a problem, although it is gratifying to see how many private sector members continue to serve for extended periods. If, however, planning boards at state and local levels are to increase their authority and responsibilities in a new comprehensive system, then attention should be given to the prevention of overload and burnout on the part of individual members.

o Inadequate training for council members and chairs.

Competency-building is extremely important for practitioners and for council members and chairs. Although many PICs and SJTCCs hold regular training sessions and NAPIC and NGA offer technical assistance to their members, a portion of the JTPA funds earmarked for competency-building at the national level should be used to train the members and chairs of state and local councils and in particular to familiarize them with the broad array of programs available for workforce development.

o Inadequate and uncertain funding for councils.

Currently under JTPA, most SJTCCs compete for a portion of the 5 percent allotment provided to states for administration of programs. Others take a portion of Carl Perkins dollars or state funds. There is no specific amount allocated for state or local planning, however, and this makes independence difficult. Some thought should be given to developing a clear funding source for state and local planning activities, if they are considered important for the system, and particularly if staff with expertise in more than one program is required.

o Rationale for planning not clearly spelled out.

Although planning and policy development have always been considered important aspects of workforce development programming, the fact that plans are often ignored once they have been completed, leads to the conclusion that the importance of planning has not been clearly understood by practitioners in the system. If planning bodies are to continue to be part of the structure, then more attention should be given to delineating the intent and importance of planning.

o No definition of how local, state, and federal planning groups should relate.

A study of private industry councils conducted for NCEP pointed out that the relationship between state and local councils under JTPA was nowhere defined and that, while in many cases there was communication, in many other cases the relationship was poor or non-existent. Similarly, there is no equivalent national council with the same level of program authority, although NCEP does serve in an advisory capacity to the President and the Congress in the same way that State Councils advise the Governor. Recent recommendations from various interest groups have called for the development of a national-level Human Resource Investment Council or other group, with waiver authority and other mandated tasks that are more involved with program administration. What remains clear, however, is that the expected relationships among planning and policy groups at all government levels is only partially spelled out (PIC-approved local job training plans must be approved by SJTCCs).

o Flexibility in membership requirements works well at state and local levels.

Some HRIC-like bodies do not meet the requirements for an HRIC under JTPA, but appear to be accomplishing a great deal. Some small, rural PICs find it difficult to find representatives of community-based organizations, labor unions, or even private business in the numbers prescribed by law. Some attention should be directed to allowing for more creative flexibility in the structure of these councils.

Coordinated Delivery Systems

o Comprehensive programming (block grants, proposed special revenue sharing) must compete against special interest group politics.

In every previous attempt at the development of comprehensive programming (CEP, CMP, CETA, JTPA), programs for particular groups (youth, older workers, Native Americans, migrant and seasonal farmworkers, veterans, and others) continued to exist and to receive separate funding. Political reality indicates that special needs will continue to attract separate programs.

o It is difficult to serve the economically disadvantaged and displaced workers within the same program.

MDTA was originally directed at what today would be defined as a displaced worker, the victim of automation. EOA was specifically directed at "the poor." CETA attempted to combine the two thrusts with disastrous results, as public service employment -- a countercyclical tool for the displaced -- overshadowed other efforts to train the disadvantaged. Although PSE has been excluded from JTPA, that Act also consists of two separate parts for the disadvantaged and the displaced, and frequently there is little interaction between them. The proposed Re-Employment Act may continue to combine them in a fashion, but the emphasis so far has been on displaced workers and others with a greater attachment to the labor force than the disadvantaged. Although it has been argued that participants in programs for the poor are stigmatized by participation, the differing needs of the target groups may be better served by different programs.

o Funding disparities may lead to difficulty.

Most programs are funded by general revenues appropriated by Congress at the federal level. REA intends to make use of a portion of the FUTA tax on employers. Some education programs (vocational education and the 8% JTPA setaside for education coordination) require state matching. Many programs are formula funded according to specific requirements defined in the legislation. Other block grants are not based on formulas. The issue of funding is one that needs special attention in the effort to develop comprehensive programming.

Other Remedies

o Waivers

Waivers can be a helpful tool to encourage coordinated programming, but the current time-consuming and difficult process of securing them from individual federal agencies makes this a somewhat less valuable approach to coordination. A central, independent body, able to issue waivers under general guidelines is one solution that has been proposed. Efforts under the previous Administration to bring this about were less successful because individual agencies did not give up their authority to the board responsible for facilitating the process, which was located in the White House.

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o Setasides

JTPA and other legislation set aside a certain portion of funds to encourage coordination. Critics of various JTPA setasides pointed to the lack of clear guidelines for use of the funds and the lack of performance standards for activities they support. The 1992 JTPA Reform Amendments attempted to deal with some of these concerns.

o Legal Mandates

The Family Support Act required that JOBS administrators work with JTPA administrators to coordinate their training activities. Assessment of this kind of activity tends to be subjective, however, and may not lead to desired effective coordination.

APPENDIX E

USDOL-ADMINISTERED TRAINING PROGRAMS
EVALUATION REVIEWS

NCEP staff recently completed a review of evaluation reports for the Job Training Partnership Act and other training programs administered by the U.S. Department of Labor. The reports reviewed were those completed within the last six years by the Department, the DOL Inspector General, the General Accounting Office, and the National Commission for Employment Policy. These evaluations and audit reports focused on seven subject areas:

- o Dislocated Workers and the Employment Service
- o Disadvantaged Adults and Youth: JTPA and TJTC
- o Services for Veterans
- o Services for the Homeless
- o Services for Migrant and Seasonal Farmworkers
- o North American Free Trade Agreement
- o Program Proliferation (Coordination)

The review pointed out five major concerns about programs and their administration:

- o Insufficient data is collected on outcomes of some programs to provide a basis for evaluating program effectiveness.
- o Insufficient funding for some programs has a major impact on program performance, leading to poor results.
- o More federal technical support and leadership may be needed, including dissemination of best practices for state and local practitioners.
- o Lack of support services impedes a successful transition into long-term employment.
- o Lack of coordination and duplication of services wastes program resources.

An overall finding from the review was the uneven quality of current program evaluations and the extreme variation in the methodology used for evaluation. Use of Unemployment Insurance Wage Records, a technique innovated by the National Commission for Employment Policy and the Center for Governmental Studies at Northern Illinois University, has advanced the state of the art for evaluating JTPA programs. By linking JTPA administrative records and employer UI wage reports, program evaluators can compare the effects of different program treatments (OJT, classroom training, job search assistance, etc.) on client outcomes. Currently, the UI wage record survey applies only to JTPA and not other workforce development programs.

Mr. PETERSON. Mr. McHugh, do you have an opening statement?

Mr. McHUGH. No. Thank you.

Mr. PETERSON. Next, we have Mr. Crawford from GAO. And if you would identify the folks you have with you.

STATEMENT OF CLARENCE C. CRAWFORD, ASSOCIATE DIRECTOR, HEALTH, EDUCATION AND HUMAN SERVICES DIVISION, EDUCATION AND EMPLOYMENT ISSUES, U.S. GENERAL ACCOUNTING OFFICE, ACCOMPANIED BY ROBERT ROGERS AND BARBARA MOROSKI-BROWNE

Mr. CRAWFORD. Mr. Chairman and members of the subcommittee, we are pleased to be here to discuss what is needed to fix the fragmented system.

I would like to at this time introduce two people who are with me: On my right, Robert Rogers, and on my left, Barbara Moroski-Browne. They are two of our experts in the employment training arena. They have looked at a number of these programs and actually gone out and met with many of the local officials and talked to workers as well, job seekers.

I think we have done—it is a pleasure to come before this subcommittee again because this is a very knowledgeable subcommittee. We don't have to spend time talking about the problems. We know what the problems are.

What I would like to do would be to just pick up on some of the points that Mr. Carnevale made in terms of focusing on what can we do.

I think there are four essential things we need to do to create the kind of system needed to help job seekers and employers. We need a simpler system. We need to improve the administrative efficiency. We need to tailor services. And we need to improve accountability.

Looking at the simplicity issue, we believe that one of the best ways to achieve a simpler system would be if we had fewer programs. Many of the proposals attempt to do that. We can either consolidate or eliminate programs around target populations or by function, such as adult literacy. This would be good a place to start to see how much progress can be made.

Like Mr. Carnevale said and as was also mentioned by the subcommittee, even with consolidation we are probably going to end up with more than one program, perhaps several programs. So, another issue concerning simplicity is how do we create clearer points of entry into those remaining programs. How do we make it easier for people to find where to go to get help? This will probably involve granting more waivers to the State and local officials to help create this system. We believe that in developing this system, State and local officials are also key players as well as the private sector.

The next major area we think you would have to look at would be areas of administrative efficiency. We probably get the greatest return from elimination or consolidation in terms of actual savings in this regard.

But what we'd be trying to do here is for the remaining programs, however many programs we have remaining, let's only have the administrative bureaucracies or structures that are actually necessary to deliver the services. Right now, we have duplicative

services taking money away from money that could be actually going to train people.

And we agree, again, with the commission that we should look at within the programs that remain, look at the services where it doesn't necessarily make sense any longer to have each program with its own intake and assessment on the front end and programs having job search and placement activities again at the back end.

And we've gotten—we've read a report not long ago from the National Governors' Association which indicated that employers were sort of annoyed. We have about 50 programs that have placement assistance, and employees are annoyed that so many people are calling. They would like one place to go, one person to call—or just a few people.

When we look at the third area, which is tailored services, for whatever groups that the Congress chooses to serve we should have an array of services that makes sense for them.

If we are going to help, for example, people who are AFDC recipients and single head of households, then probably we are going to have to provide for child care if we really intend to have them complete the training. The training should be focused on the individual. What is it that the individual needs? We should look at their backgrounds, their education, their experience and make some judgments.

And we agree, again, with what was said here before about the need to link with employers. We need to know what employers are looking for. What kind of skills are they looking for? What do they want people to be able to do? And we also need to tap into the labor markets. Where are the jobs today? Where will those jobs be coming on line?

The fourth area is accountability. We agree that there should be standard reporting if that allows State and local communities the flexibility to tailor programs to meet their own needs. We also agree there needs to be a common core of data that would allow the Congress, the administration, people at the State and local level, to measure the success of their programs, and look at one program and compare it to the next.

And there needs to be clear outcome measures. We need to know whether people actually get jobs and at what wage. And we also need to look at whether or not the programs made a difference. For those people who actually participated in those programs, did they get jobs? Did they do better than people who didn't participate?

In closing, Mr. Chairman, we agree that we cannot afford to invest billions in a system that wastes resources and doesn't necessarily help job seekers and employers. Welfare reform, increased competition, corporate downsizing and restructuring, the Federal budget deficit drive us toward making the best use of our money.

While creating a new system surely will not be easy and it will not happen overnight, we think that the proposals that have been put forward today represent a strong step in the right direction.

This concludes my oral comments. I would like to thank you and the ranking member for your leadership in addressing these problems. Thank you.

Mr. PETERSON. Thank you, Mr. Crawford.

[The prepared statement of Mr. Crawford follows:]

GAOUnited States General Accounting Office

Testimony

Before the Subcommittee on Employment,
Housing, and Aviation
Committee on Government Operations
House of Representatives

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**MULTIPLE EMPLOYMENT
TRAINING PROGRAMS****How Legislative Proposals
Address Concerns**

Statement of Clarence C. Crawford, Associate Director,
Education and Employment Issues, Health, Education, and
Human Services Division



GAO/T-HEHS-94-221

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss the need to restructure the "fragmented" federal system for providing employment training assistance and how legislative proposals introduced by members of the Congress address the concerns identified through our prior work. Faced with stiff global competition, corporate downsizing, and budget constraints, the federal government can no longer afford to invest billions of dollars in a system that wastes resources and does not ensure that people receive the help they need to make the successful transition into productive employment.

By our count, over 150 programs provide employment training assistance to adults and out-of-school youth. When reviewed individually, these programs have well-intended purposes. However, collectively they raise several concerns. First, they are difficult for jobseekers and employers to access and for administrators to implement. Second, they overlap and duplicate one another, adding unnecessary administrative costs to program operation. Third, they fail to meet client needs. And, fourth, many programs lack the basic monitoring and evaluation systems needed to determine whether programs are achieving desired results.

While many agree that changes are needed, how to create a more efficient and effective system has sparked much discussion. During the past year, 13 legislative proposals were introduced by members of the Congress that would restructure some parts of the federal employment training system.

Our analysis of the 13 proposals showed that many of the proposals address several of the concerns with the current employment training system. (See appendix I.) We believe these proposals represent a strong step in the development of a customer-oriented system that will address all the concerns identified from our prior work.

BACKGROUND

The proposed budget for fiscal year 1994 included about \$25 billion for 154 programs and funding streams to (1) assist the unemployed, (2) enhance skills or employability of workers, and (3) create employment opportunities. These services are provided through 14 federal departments and independent agencies. Each department provides staff and incurs costs to plan and monitor these programs. In addition, each program has its own set of policies, procedures, and requirements. Generally, these programs use the similar service delivery approaches and funding mechanisms; that is, most provide grants to state and local agencies to identify clients, provide basic or vocational training, and link clients with employers.

Our prior work has shown that this patchwork of employment training programs confuses workers, employers, and administrators because it has no clear entry points and no clear path from one program to another, and the numerous programs have complex and different eligibility requirements while often targeting the same groups.¹ Even when people find their way to a local agency, they often face a burdensome intake process with lengthy application forms to determine whether they are eligible for services. Employers also experience problems with the fragmented system of employment training programs. Employers want a system that is easy to access and provides qualified job candidates. Instead, employers must cope with over 50 programs that provide job referrals and placement assistance.

Despite decades of attempts to better coordinate employment training programs, program administrators continue to face conflicting program requirements that hamper efforts to coordinate

¹For a listing of GAO reports and testimony concerning multiple employment training programs, see Related GAO Products.

activities and share resources to ensure that participants get needed services.² For example, the 16 programs that target youth use 4 different program operating cycles. A 1991 survey of state and local program administrators identified more than 80 commonly used terms and definitions that administrators believe need to be standardized including terms such as personal income, job placement, allowable support services.³

We cannot determine how much is spent to administer the current array of federal employment training programs because cost information is not readily available for many programs.⁴ Based on past work and the work of other researchers, we reported that estimates of administrative costs range from as low as 7 percent to as high as 15 or 20 percent. Given the large number of federal Departments and agencies involved in the administration of these programs, we believe the administrative savings from streamlining the number of federal programs could be substantial. Eliminating the need for separate staffs to administer, monitor, and evaluate programs at the state and local levels could also save resources.

We also found that programs frequently do not meet the needs of jobseekers. Some programs provide only a limited set of services that may not meet the needs of their clients. In addition, because local service providers, who are under contract with local employment training programs, often do their own outreach and have a financial stake in directing clients to their programs, little attempt is generally made to refer clients to

²Multiple Employment Training Programs: Conflicting Requirements Hamper Delivery of Services (GAO/HEHS-94-78, Jan. 28, 1994).

³Streamlining and Integrating Human Resource Development Service for Adults, National Governors' Association (Washington, D.C., 1991).

⁴Multiple Employment Training Programs: Overlapping Programs Can Add Unnecessary Administrative Costs (GAO/HEHS-94-80, Jan. 28, 1994).

other programs with more appropriate services. Another reason program participants may not receive assistance that meets their needs is that some service providers do not have strong links with employers or labor market information. Labor market information can help program administrators make decisions about the types of training that would be most appropriate to prepare their participants for the local job market.

Another concern with the fragmented system is the lack of effort to monitor the outcomes or measure the impact of programs providing employment training assistance. We found that less than half the programs collect data on participant outcomes to determine whether participants found a job upon completing the program.⁵ Without this information, service providers do not get meaningful feedback as to whether their graduates exit the program with the skills employers need.

We also found that few agencies had performed or sponsored evaluations that compared the outcomes of participants with the outcomes of similar nonparticipants so that they could determine if the employment training assistance provided really made a difference or whether participants would most likely have achieved the same outcomes without the program. Our review of 62 programs showed that only 7 had conducted such studies. For those seven programs, the study results have been mixed, at best.

Concerns about these problems in the current system have led the administration and others to suggest the need for overhauling programs that provide employment training to the same target populations. For example, the 1993 National Performance Review (NPR) concluded that the current system of employment training

⁵Multiple Employment Training Programs: Most Federal Agencies Do Not Know If Their Programs Are Working Effectively (GAO/HEHS-94-88, Mar. 2, 1994).

programs is inefficient and ineffective, and it recommended several changes, including the consolidation of programs serving dislocated workers.

The National Commission for Employment Policy (NCEP) and the Welfare Simplification and Coordination Advisory Committee also have recommended a major overhaul of the many federal employment training programs that serve the economically disadvantaged. They expressed concern that the existing program structures acted as barriers to clients trying to gain access to services. The Welfare Simplification Committee concluded that "Eliminating duplicative bureaucracies will reduce administrative costs, saving money that can be used, instead, for client services."

NEED TO SIMPLIFY THE SYSTEM

Regardless of the mechanisms used, there appears to be a consensus across the 13 legislative proposals that the employment training system needs to be simpler to access and administer. These proposals contain provisions that would, in effect, either reduce the number of programs, create clearer points of entry and clearer pathways between programs, or create more common definitions and requirements.

Several proposals identify, or propose a commission or council to identify, specific programs to be eliminated or consolidated. For example, the "CAREERS Act" introduced by Congressman Goodling would eliminate some programs while consolidating others in establishing several block grants that target specific populations such as disadvantaged adults, dislocated workers, and veterans. Similarly, the "Job Training Consolidation Act" introduced by Senator Kassebaum would eliminate or consolidate employment training programs. The act proposed by Senator Kassebaum would establish a commission that, in consultation with federal, state,

and local officials, would examine strategies and provide recommendations for restructuring the system within 26 months of being enacted.

By reducing the number of programs that appear to serve the same target population, such as the economically disadvantaged, or provide the same function, such as adult literacy training, the employment training system would be more streamlined and easier for clients to understand and access and less complicated for administrators to implement. However, to have the maximum impact without reducing the availability of services, care must be taken to consolidate or eliminate only those programs that share similar characteristics such as goals, client groups, services, and delivery mechanisms.⁶

Another approach to simplifying the employment training system is creating one-stop centers at the service delivery level to create clearer points of entry and clearer pathways between programs. For example, the administration's proposed "Reemployment Act" would require that local areas establish one or more career centers as the access point for coordinating enhanced services for dislocated workers.⁷ This act would also provide states with seed money to expand career centers for all segments of the population and offer a comprehensive menu of employment, education, and training services. The "Independence for Families Act" introduced by Congressman McCurdy would use the one-stop center approach to bring together programs under the Job Training Partnership Act, Carl D. Perkins Vocational and Applied Technology Education Act, and School-to-Work Opportunities Act, among others.

⁶Multiple Employment Training Programs: Overlap Among Programs Raises Questions About Efficiency (GAO/HEHS-94-193, July 11, 1994).

⁷We include in our discussion of the proposed "Reemployment Act" four substantially identical bills pending before the Congress: S. 1951, S. 1964, H.R. 4040, and H.R. 4050.

By consolidating duplicative intake and assessment processes, these centers would eliminate the duplication of service delivery structures. In addition, they could provide a focal point for labor market information and contacts with employers instead of having several agencies trying to compile information on local job openings.

Because of the complex nature of the current system, several proposals also would establish or further encourage the use of case managers to assist clients in navigating through the maze of programs to access the services that are needed to transition into productive employment. For example, the "Working Off Welfare Act" introduced by Congresswoman Woolsey encourages the use of case managers that make referrals and coordinate services for AFDC recipients. The job of the case managers would be made easier if the programs share common definitions of eligibility and other terms.

Many of the proposals would also establish procedures for eliminating conflicting requirements and administrative procedures by granting local program administrators waivers from the federal statute. For example, the "Local Flexibility Act" introduced by Congressman Conyers would establish an Interagency Review Council to approve local agency requests for waivers from federal requirements. These waivers provide flexibility for local administrators to create common definitions so that programs serving the same target populations can be merged or, at least, other clients in the general target population can more readily access services from other programs.

NEED FOR GREATER ADMINISTRATIVE EFFICIENCY

Proposals that would simplify the system also could improve the system's administrative efficiency. For example, efforts to

simplify the system by reducing the number of programs also reduce the administrative bureaucracies associated with those programs. The reduction in the number of programs at the federal level can also result in similar reductions at the state or local level.

However, not all efforts to simplify the employment training system result in improved administrative efficiencies. For example, granting waivers to allow administrators to develop common definitions can help reduce some of the confusion and establishing one-stop centers can make the system easier for clients to understand and administrators to implement. But because these approaches leave the administrative bureaucracy at the federal level still in place, they do not resolve the basic problem with multiple programs and the administrative overlap and duplication that results.

NEED TO BETTER TAILOR SERVICES TO CLIENT NEEDS

To maximize the benefit of the services provided to clients these services need to be tailored to the individual client's needs. They should take into account the client's prior training, work experience, and aptitudes as well as the local economy and potential job opportunities, and offer a broad enough mix of services to accommodate most client needs.

While some proposals include provisions concerning the mix of services, only a few specifically call for an independent comprehensive assessment or better local labor market information and linkages with employers needed to ensure that the training being provided will prepare clients for meaningful jobs. For example, the administration's "Reemployment Act" would promote the development of a customer-centered approach to help ensure that services are tailored to participants' needs at the local level. Regardless of what other changes are made in the structure of the

employment training system, ensuring that clients receive an independent assessment and the right mix of services is critical to the success of any employment training program.

NEED FOR ACCOUNTABILITY

Most of the proposals recognize the need to hold program administrators accountable for program performance. Several proposals would require agencies to establish performance standards and develop systems to gather outcome information. For example, the "Job Training Consolidation Act" introduced by Senator Kassebaum would establish a commission to develop appropriate standards to measure the outcomes of federal employment training programs.⁸ Clearly defined performance standards are the cornerstone of any strategy to ensure accountability. To measure or compare program performance, there must be clear targets or benchmarks against which the performance of individual programs can be compared. Without such standards, program administrators do not know whether they are meeting expectations.

Several proposals also would establish systems for collecting data on individual participants so that administrators would know which services were received by whom and what outcomes were achieved. For example, the "Reemployment Act" would require states and local areas to maintain standardized records for all participants. In addition, it would require comparable management information systems to provide data needed for monitoring and evaluation. This information is important to administrators

⁸The Congress recently passed the Government Performance and Results Act of 1993, which will require agencies to gather program performance data. Specifically, the act requires agencies to (1) have a strategic plan for program activities; (2) establish program performance goals that are objective, quantifiable, and measurable; and (3) submit a report on program performance to the President and the Congress.

attempting to ensure that services are being equitably distributed and that client outcomes are related to program services.

Equally important evaluation information is determining program impact. That is, determining whether programs really make a difference or whether participants would likely have achieved the same outcomes without the program. Both the "Reemployment Act" and the "CAREERS Act" would require evaluations of program impact on participants and the local community.

CONCLUSIONS

We have identified many elements that we believe need to be addressed if the current employment training system is to be transformed into an efficient and effective customer-oriented system, namely:

- simplifying the system by reducing the number of programs creating clearer points of entry and clearer pathways between programs, and eliminating conflicting requirements and administrative procedures;
- encouraging administrative efficiency by eliminating overlapping administrative bureaucracies as well as duplicative service delivery structures;
- tailoring services to meet client needs by requiring independent assessments of clients, broadening the mix of services, and improving linkages with employers; and
- ensuring accountability by clearly defining goals and performance standards, creating data collection systems that measure performance, and requiring impact evaluations of major programs.

Many of the legislative proposals introduced in the Congress contain several of these elements. While restructuring the employment training system will not be easy, these proposals represent a strong step toward developing the customer-oriented system we believe is needed.

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Mr. Chairman, that concludes my prepared statement. I would like to thank you and the Ranking Minority Member for your efforts to address these issues. At this time, I will be happy to answer any questions you or other members of the Subcommittee may have.

APPENDIX I

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Table I.1: Thirteen Legislative Proposals Included In Analysis

Proposal number	Proposal name	Introduced by	Date introduced
H.R. 2943	National Workforce Preparation and Development Reform Act	Congressman Goodling	Aug. 6, 1993
H.R. 4407*	Consolidated and Reformed Education, Employment and Retraining Systems Act	Congressman Goodling	May 12, 1994
S. 1943	Job Training Consolidation Act of 1994	Senator Kassebaum	Mar. 17, 1994
H.R. 4040*	Reemployment Act of 1994	Congressman Rostenkowski	Mar. 16, 1994
S. 1951*	Reemployment Act of 1994	Senator Moynihan	Mar. 17, 1994
H.R. 4050*	Reemployment Act of 1994	Congressman Ford	Mar. 16, 1994
S. 1964*	Reemployment and Retraining Act of 1994	Senator Metzenbaum	Mar. 24, 1994
H.R. 3736	Workforce Education Act of 1994	Congressman Andrews	Jan. 26, 1994
H.R. 2825	Training for Future Jobs Act of 1993	Congressman Conyers	Aug. 2, 1993
H.R. 2856	Local Flexibility Act of 1994	Congressman Conyers	Aug. 4, 1993
H.R. 3742	Welfare Elimination Act of 1994	Congressman Fingerhut	Jan. 26, 1994
H.R. 4414	Independence for Families Act of 1994	Congressman McCurdy	May 12, 1994
H.R. 4318	Working Off Welfare Act of 1994	Congresswoman Woolsey	Apr. 28, 1994

*H.R. 4407 includes provisions of H.R. 2943 but added provisions to establish a system of block grants and amend the Job Training Partnership Act.

*H.R. 4040 and S. 1951 are companion bills.

*H.R. 4050 and S. 1964 are companion bills related bills to H.R. 4040 and S. 1951, but do not include provisions for providing income support to dislocated workers while in training.

Table I.2: Comparison of Legislative Proposals That Would Restructure the Federal Employment Training System

Elements	Legislative proposals								
	H.R. 4407*	S. 1941	H.R. 4040/ S. 1951 [†]	H.R. 3736	H.R. 2825	H.R. 2856	H.R. 1742	H.R. 4414	H.R. 4318
To simplify the system									
Reduce number of programs	X	X	X	X			X		
Create clearer points of entry and paths between programs	X	X	X	X				X	X
Eliminate conflicting requirements/procedures	X	X	X		X	X			
To improve administrative efficiency									
Eliminate overlapping administrative bureaucracies	X	X	X	X		X	X		
Eliminate duplicative service delivery structures	X	X	X	X				X	X
To better tailor services to client needs									
Expand mix of services	X	X	X			X		X	
Develop independent assessment process			X					X	X
Develop stronger linkages with labor market/employers	X	X	X						X
To improve accountability									
Establish clear goals and performance measurements	X	X	X		X	X		X	X
Conduct impact evaluations	X		X						

*H.R. 4407 includes provisions of H.R. 2941, it but added provisions to establish a system of block grants and amend the Job Training Partnership Act

[†]H.R. 4050 and S. 1964 are companion bills related bills to H.R. 4040 and S. 1951, but do not include provisions for providing income support to dislocated workers while in training

Table 1.1. Comparison of Proposed Legislative Provisions to Simplify the Employment Training System

Legislative proposal	Reduce number of programs	Create clearer points of entry and paths between programs	Eliminate conflicting requirements and administrative procedures
Goodling (H R 4407)	<p>Establishes several block grants to consolidate programs that target specific populations, including disadvantaged adults, dislocated workers, veterans, youth, migrant and seasonal farm workers and Native Americans. (Sec. 341-394)</p> <p>Establishes three block grants to consolidate programs that provide specific services: adult literacy, vocational and technical education, and vocational rehabilitation. (Sec. 301-321)</p> <p>Establishes the Federal Workforce Preparation and Development Council and requires the Council to make specific recommendations for the elimination of fragmentation and duplication among programs and the consolidation of similar programs (Sec. 101, 104)</p>	<p>States and local areas may establish a network of community job resource centers that provide "one-stop shopping" of common points of entry, for individuals (Sec. 234, 241)</p> <p>Community job resource centers shall have information for public use on program eligibility requirements and the availability and effectiveness of program services. (Sec. 234)</p> <p>States may establish literacy resource centers to enhance coordination of literacy services. (Sec. 305)</p> <p>Amends the Job Training Partnership Act to allow states to use funds to develop comprehensive and fully integrated workforce development programs. (Sec. 401)</p>	<p>The Federal Workforce Preparation and Development Council shall recommend changes in program rules and regulations to ensure consistent interpretation, guidance and coordination (Sec. 104). The National Commission for Employment Policy shall recommend how to develop common terms, definitions, reporting requirements and core data elements to create cross-program intake, eligibility and assessment procedures. (Sec. 11)</p> <p>The Council may waive provisions of laws or regulations for states volunteering to participate in reform efforts, if these provisions prevent the application of consistent practices and procedures related to the use of common definitions, performance standards, common participant and program data, common cost categories and limitations. Within limitations, the Council may also waive eligibility requirements to increase flexibility in developing common definitions for eligible individuals. Waivers cannot alter the program purpose, goals, or allocation of funds. (Sec. 121)</p>

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Legislative proposal	Reduce number of programs	Create clearer points of entry and paths between programs	Eliminate conflicting requirements and administrative procedures
Kassebaum (S. 1943)	Establish a federal-level Commission on Employment and Training to examine strategies for consolidating or eliminating federal employment training programs, in consultation with federal, state and local officials. The Commission shall report on recommendations for proposed reforms no later than 26 months after enactment. (Sec. 212) The Act would repeal numerous federal programs, effective 29 months after enactment, to create a single, comprehensive employment training system (Sec. 212)	State and local entities may develop an integrated system that assures that individuals seeking employment will receive information about all available employment training services regardless of where the individuals initially enter the system (Sec. 101 104)	State and local entities may use funds from numerous programs, without regard to the requirements of any covered Act, to develop a comprehensive statewide employment training system (Sec. 101 104) The Commission shall determine appropriate standards that specify a common terminology for programs and services to facilitate access to such services among states and localities (Sec. 212)

Legislative proposal	Reduce number of programs	Create clearer points of entry and paths between programs	Eliminate conflicting requirements and administrative procedures
Rostenkowski and Moynihan (H.R. 4040 and S. 1951)	Consolidate dislocated worker programs (programs under Title III of the Job Training Partnership Act and the Trade Adjustment Assistance program, among others) into a comprehensive program for worker reemployment. (Sec. 101, Sec. 192)	<p>Under the comprehensive program for worker reemployment, local grantees must establish one or more career centers to provide a wide range of services to dislocated workers. (Sec. 118, 119)</p> <p>Local areas may also establish one-stop career centers that provide customer choice in obtaining services to all segments of the population. (Sec. 113) The Secretary of Labor shall develop a national logo and name for all one-stop career centers as part of a nationwide system to enable individuals to readily identify and access one stop centers in any state in any location. (Sec. 353)</p> <p>For local areas that establish one-stop career centers, the dislocated worker program would be part of the one-stop center, rather than a separate career center. Provisions mandate that several other programs must provide services through the one stop centers, including programs under the Wagner Peyser Act and Title II of the Job Training Partnership Act, among others. Many other programs may voluntarily work through the one stop centers, including the JOBS program, the Food Stamp Employment and Training program, and Vocational Education programs. (Sec. 115)</p>	The one-stop career system establishes a national program of grants and waivers of federal statutory and regulatory requirements, through the Secretary of Labor, to provide the states an opportunity, on a voluntary basis, to develop and implement a network of one-stop career centers. (Sec. 301, 331)

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Legislative proposal	Reduce number of programs	Create clearer points of entry and paths between programs	Eliminate conflicting requirements and administrative procedures
Andrews (H.R. 3736)	The Secretary of Labor shall conduct a study on the feasibility of consolidating the administration of Federal dislocated worker programs (specifically programs under Title III of the Job Training Partnership Act and the Trade Adjustment Assistance program under the Trade Act of 1974) into a single comprehensive program (Sec. 301)	The study shall consider the feasibility of a consolidated program whose goals include common points of access at the local level; a process for determining eligibility of dislocated workers for training and related services, and increased flexibility in how dislocated workers receive and use such training and related services (Sec. 301)	No specific provision
Conyers (H.R. 2825)	No specific provision	No specific provision	This five-year demonstration program would establish a federal level Job Training Council which could waive, for nonprofit organizations, requirements of different existing Federal job training assistance programs for adults and out of school youth that are inconsistent, if such a waiver is likely to make the organization's job training programs more efficient and the organization's job training plan is part of an economic development plan adopted by local government (Sec. 6)
Conyers (H.R. 2856)	No specific provision	No specific provision	Establish a federal level Interagency Review Council which could approve waivers of any Federal statutory or regulatory requirements, including those related to education and employment training programs, that would be reasonably necessary to implement an integrated assistance plan in a local area (Sec. 4 b.9.10)

Legislative proposal	Reduce number of programs	Create clearer points of entry and paths between programs	Eliminate conflicting requirements and administrative procedures
Fingerhut (H R 1742)	Establish a federal level Commission to Eliminate Welfare which would design a replacement for numerous federal programs that target the economically disadvantaged, including programs under the Job Training Partnership Act. The Commission shall recommend legislation to enact such programs, modifications, and tax credits within six months after a majority of members have been appointed. (Sec. 3, 4, and 8)	No specific provision	No specific provision.
McCurdy (H R 4414)	No specific provision.	States may develop a program, which would replace the JOBS, that utilizes and makes available to AFDC recipients, through the establishment and operation or utilization of federal or state one-stop employment shops, services of numerous federal programs, including programs under the Job Training Partnership Act, Carl D Perkins Vocational and Applied Technology Education Act, and the School to Work Opportunities Act, among others. (Sec. 301)	No specific provision

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Legislative proposal	Reduce number of programs	Create clearer points of entry and paths between programs	Eliminate conflicting requirements and administrative procedures
Woolsey (H.R. 4318)	No specific provision.	<p>The state agency shall establish at least one convenient location in each community at which a person may apply for and receive, directly or through referral to the appropriate provider, assistance from the AFDC program, as well as employment training and support services. (Sec. 109)</p> <p>The state agency shall assign each AFDC recipient a case manager who is knowledgeable about community resources and qualified to make referrals to appropriate education and training programs. (Sec. 109)</p> <p>Case workers may be outstationed at community colleges to enhance access of AFDC recipients to higher education and provide linkages between postsecondary educational institutions and private and public sectors, including private industry councils. (Sec. 121)</p> <p>States may fund activities that provide AFDC recipients, and their children in secondary school, with information about the availability of services in other federal programs, including programs under the Job Training Partnership Act, the School to Work Opportunities Act, and Carl Perkins Vocational and Applied Technology Education Act. (Sec. 121)</p>	No specific provision.

*Congressman Goodling introduced H.R. 2941 and H.R. 4407, on August 6, 1991 and May 12, 1994, respectively. H.R. 4407 includes provisions of H.R. 2941, but added provisions to establish a system of block grants and amend the Job Training Partnership Act.

H.R. 4050 and S. 1864 are companion bills related bills to H.R. 4040 and S. 1951, but do not include provisions for providing income support to dislocated workers while in training.

Table I.4: Comparison of Proposed Legislative Provisions to Improve Administrative Efficiency in the Employment Training System

Legislative proposal	Eliminate overlapping administrative bureaucracies	Eliminate duplicative service delivery structures
Goodling (H.R. 4407) ¹	States may apply for waivers of laws and regulations to improve the efficiency of programs (Sec. 212) The Federal Workforce Preparation and Development Council shall make recommendations for the consolidation of Federal administration of workforce preparation and development programs. (Sec. 104)	States and local areas may establish a network of community job resource centers to encourage greater coordination and minimize duplication of services among programs. (Sec. 241)
Kassebaum (S. 1943)	Establishes a federal-level Commission on Employment and Training to examine strategies for consolidating or eliminating federal employment training programs. The Commission shall report on recommendations for proposed reforms no later than 26 months after enactment. (Sec. 212) The Act would repeal numerous federal programs, effective 29 months after enactment, to create a single, comprehensive employment training system. (Sec. 212)	To reduce overlap and duplicative activities, state and local entities may combine the covered activities and fund the combined activities, or eliminate one of the covered activities and increase the funding to the remaining covered activity. (Sec. 101-104)
Rostenkowski and Moynihan (H.R. 4040 and S. 1951) ⁴	One-stop career centers may be administered by a consortium which identifies procedures that would be used to promote the integration of the administration of the programs. (Sec. 313)	Under the comprehensive program for worker reemployment, local grantees must establish one or more career centers to provide a wide range of services to dislocated workers. (Sec. 118,119) Local areas may establish one-stop career centers that include services for the comprehensive program for worker reemployment and many other federal programs. (Sec. 315) A national labor market information system would fulfill the labor market information requirements of numerous federal programs. (Sec. 401)
Andrews (H.R. 3736)	The Secretary of Labor shall conduct a study on the feasibility of a consolidated program (specifically programs under Title III of the Job Training Partnership Act and the Trade Adjustment Assistance program under the Trade Act) one goal of which is to reduce overlap in administration of such programs. (Sec. 101)	The study will consider the feasibility of a consolidated program, one goal of which is the establishment of common points of access at the local level. (Sec. 101)
Conyers (H.R. 2825)	No specific provision.	No specific provision.
Conyers (H.R. 2856)	Local areas may develop an integrated assistance plan that shall improve the efficiency and effectiveness of providing benefits under federal programs by reducing administrative rigidity, duplication, and unnecessary expenditures. (Sec. 5)	No specific provision.

APPENDIX I

APPENDIX 1

Legislative proposal	Eliminate overlapping administrative bureaucracies	Eliminate duplicative service delivery structures
Fingerhut (H.R. 3742)	Establish a federal-level Commission to Eliminate Welfare which would design a replacement for numerous federal programs that target the economically disadvantaged, including programs under the Job Training Partnership Act. The Commission shall recommend legislation to enact such programs, modifications, and tax credits within six months after a majority of members have been appointed. (Sec. 3, 4, and 8)	No specific provision.
McCurdy (H.R. 4414)	No specific provision.	States may develop a program for AFDC recipients that establishes and operates one-stop employment shops, or utilizes appropriate federal or state one-stop shops, to make available the employment training services of numerous federal programs. (Sec. 301)
Woolsey (H.R. 4318)	No specific provision.	The state agency shall establish at least one convenient location in each community (if practicable, as defined by the Secretary in regulations) at which a person may apply for and receive, directly or through referral to the appropriate provider, aid under the state plan, as well as employment training and support services. (Sec. 109)

¹Congressman Goodling introduced H.R. 2943 and H.R. 4407, on August 6, 1993 and May 12, 1994, respectively. H.R. 4407 includes provisions of H.R. 2943, but added provisions to establish a system of block grants and amend the Job Training Partnership Act.

²H.R. 4050 and S. 1964 are companion bills related bills to H.R. 4040 and S. 1951, but do not include provisions for providing income support to dislocated workers while in training.

Table I.5: Comparison of Proposed Legislative Provisions to Better Tailor Services to Client Needs in the Employment Training System

Legislative proposal	Expand mix of services	Develop independent assessment process	Develop stronger linkages with labor market information and employers
Goodling (H.R. 4407) ¹	The National Commission for Employment Policy shall recommend how to expand services to eligible individuals. (Sec. 113)	No specific provision.	States and local areas may establish community job resource centers that shall better inform individuals regarding employment opportunities and local labor market conditions. (Sec. 241) The National Commission for Employment Policy shall recommend how to ensure that programs are responsive to the needs of American businesses. (Sec. 113) States may establish Local Workforce Development Boards that shall promote the adoption of industry-recognized skill standards by local business, industry, and education and training providers. (Sec. 234)
Kassebaum (S. 1943)	State and local entities may develop a comprehensive statewide employment training system that addresses the high priority needs of unemployed persons in the state or community. (Sec. 101-104)	No specific provision.	State and local entities may use program funds to develop a comprehensive statewide employment training system that must include employer involvement in planning, development and implementation of the system. (Sec. 101-104) The Commission on Employment and Training shall conduct a study that examines strategies for implementing a national on-line labor market information system. In addition, the study shall develop a single, coherent national policy that requires employer involvement in planning, development and implementation of the system. (Sec. 212)

APPENDIX I

APPENDIX I

Legislative proposal	Expand mix of services	Develop independent assessment process	Develop stronger linkages with labor market information and employers
Rostenkowski and Moynihan (H.R. 4040 and S. 1951)	The Secretary shall work with each state to promote the development of a customer service compact among parties administering the one-stop career center systems. This compact would include the respective roles and responsibilities of each party in enhancing the provision of services tailored to the needs of participants in a local area. (Sec. 351)	States must establish career centers for dislocated worker that administer the process of referring participants to education and training services in a fair and equitable manner and would enforce this through an annual review of the 'honest broker functions'. (Sec. 118) States may establish one-stop career centers that provide comprehensive and specialized assessments of the skill levels and service needs of individuals. These centers would also provide case management for individuals that would include periodically reviewing the individual's progress toward achieving employment goals. (Sec. 314)	The Secretary of Labor, in coordination with other federal, state and local entities, shall develop a strategy to establish a nationwide network of local labor market information that is locally based, accurate, up-to-date, easily accessible, and user-friendly. (Sec. 402)
Andrews (H.R. 3736)	No specific provision.	No specific provision.	No specific provision.
Conyers (H.R. 2825)	No specific provision.	No specific provision.	No specific provision.
Conyers (H.R. 2856)	Local areas may develop an integrated assistance plan that shall include elements that will help individuals decide on the scope of services necessary and desired to meet the full range of their needs. (Sec. 4) The integrated assistance plan cannot reduce the level of benefits for any individual or family. (Sec. 5)	No specific provision.	No specific provision.
Fingerhut (H.R. 3742)	No specific provision.	No specific provision.	No specific provision.

Legislative proposal	Expand mix of services	Develop independent assessment process	Develop stronger linkages with labor market information and employers
McCurdy (H.R. 4414)	States may develop a program for AFDC recipients that provides participants case management services to ensure the integrated provision of benefits and services. (Sec. 301) A case manager shall present each participant with each option offered under the program through which the participant will, over time, be moved into full-time unsubsidized employment. (Sec. 301)	States may develop a program that assigns a case management team to each program participant to develop a participation agreement that includes an individualized comprehensive plan to move the participant into full-time unsubsidized employment. (Sec. 301)	No specific provision.
Woolsey (H.R. 4318)	No specific provision.	The state agency shall assign each AFDC recipient a case manager who is knowledgeable about community resources, qualified to make referrals to appropriate education and training programs and coordinate the provision of benefits. (Sec. 109) State plans must describe the policies and procedures to ensure AFDC recipients who need educational activities are placed in programs with clear goals, benchmark, and timetables for measuring progress, and periodic reassessments to determine the continued appropriateness of their participation in such activities. (Sec. 115)	States shall use local labor market information and an assessment of the individual's needs to help participants identify one or more target occupations. (Sec. 115)

*Congressman Goodling introduced H.R. 2943 and H.R. 4407, on August 6, 1993 and May 12, 1994, respectively. H.R. 4407 includes provisions of H.R. 2943, but added provisions to establish a system of block grants and amend the Job Training Partnership Act.

*H.R. 4050 and S. 1964 are companion bills related bills to H.R. 4040 and S. 1951, but do not include provisions for providing income support to dislocated workers while in training.

Table I.6: Comparison of Proposed Legislative Provisions to Improve Accountability in the Employment Training System

Legislative proposal	Establish clear goals and performance measurement systems	Conduct impact evaluations
Goodling (H.R. 4407) ¹	<p>The Federal Workforce Preparation and Development Council and the National Commission on Employment Policy shall recommend how to develop an integrated performance measurement system that includes system-level performance as well as performance outcomes of individual programs. (Sec. 104, 113)</p> <p>States may establish a single, integrated performance measurement system for all programs. (Sec. 212) Local areas may develop a strategy to measure the performance of programs and individual service providers. (Sec. 234)</p> <p>The Secretary of Labor shall develop performance standards for the JOBS program that are consistent with performance standards under the Job Training Partnership Act. (Sec. 368)</p>	No specific provision.
Kassebaum (S. 1943)	<p>State and local entities may establish a comprehensive statewide employment training system that includes standards for determining the effectiveness of programs. (Sec. 104)</p> <p>The Commission on Employment and Training shall conduct a study to determine appropriate standards for the federal government to measure the overall effectiveness of employment training programs. (Sec. 212)</p>	No specific provision.
Rostenkowski and Moynihan (H.R. 4040 and S. 1951) ¹	Under the comprehensive program for worker reemployment, the Secretary of Labor shall prescribe performance standards relating separately to the substate grantees and the career centers. (Sec. 152) The Secretary of Labor shall also prescribe performance standards for the one-stop career centers. (Sec. 317)	The Secretary shall provide for continuing evaluation of programs under the comprehensive program for worker reemployment and the one stop centers, that may include an analysis of the impact of the programs on participants and the community. (Sec. 133)
Andrews (H.R. 3736)	No specific provision.	No specific provision
Conyers (H.R. 2825)	The Comptroller General shall report on the extent to which grants under this Act have served to train people for jobs. (Sec. 9)	No specific provision
Conyers (H.R. 2856)	Local areas may develop an integrated assistance plan which shall include specific goals and measurable performance criteria. (Sec. 4) Local areas must also periodically evaluate the plan's effect on individuals, the community and administrative costs. (Sec. 6) The Comptroller General shall evaluate the effectiveness of federal programs included in approved integrated assistance plans. (Sec. 11)	No specific provision
Fingerhut (H.R. 3742)	No specific provision.	No specific provision

Legislative proposal	Establish clear goals and performance measurement systems	Conduct impact evaluations
McCurdy (H.R. 4414)	States may develop a program that shall include performance standards, in accordance with regulations prescribed by the Secretary of Health and Human Services, to measure the effectiveness of the programs established by this Act in moving participants into full-time unsubsidized employment. (Sec. 301)	No specific provision.
Woolsey (H.R. 4318)	<p>The Secretaries of Education, Health and Human Services, and Labor, shall jointly develop and publish standards that measure the minimum amount of wages and employment benefits that a participant enrolled in a Federal job training program should receive after termination from such program to ensure long-term economic self-sufficiency. (Sec. 211)</p> <p>These Secretaries shall each conduct a study to review the effectiveness of federal job training programs under their jurisdiction. These studies shall include determining the extent to which programs successfully place male and female participants in unsubsidized employment and the average wages and benefits in such employment. (Sec. 201) The Comptroller General shall also conduct similar studies to review the effectiveness of federal job training programs. (Sec 202)</p>	The Federal Workforce Preparation and Development Council shall issue a report containing an evaluation of the effectiveness of unified single State plans relating to waivers of provisions of law including how individuals eligible for services under such programs are impacted, especially with regard to attainment of academic and occupational competencies and job retention. (Sec. 107)

¹Congressman Goodling introduced H.R. 2943 and H.R. 4407, on August 6, 1993 and May 12, 1994, respectively. H.R. 4407 includes provisions of H.R. 2943, but added provisions to establish a system of block grants and amend the Job Training Partnership Act

²H.R. 4050 and S. 1964 are companion bills related bills to H.R. 4040 and S. 1951, but do not include provisions for providing income support to dislocated workers while in training.

RELATED GAO PRODUCTS

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Multiple Employment Training Programs: Conflicting Requirements Underscore Need for Change (GAO/T-HEHS-94-120, Mar. 10, 1994).

Multiple Employment Training Programs: Major Overhaul Is Needed (GAO/T-HEHS-94-109, Mar. 3, 1994).

Multiple Employment Training Programs: Most Federal Agencies Do Not Know If Their Programs Are Working Effectively (GAO/HEHS-94-88, Mar. 2, 1994).

Multiple Employment Training Programs: Overlapping Programs Can Add Unnecessary Administrative Costs (GAO/HEHS-94-80, Jan. 28, 1994).

Multiple Employment Training Programs: Conflicting Requirements Hamper Delivery of Services (GAO/HEHS-94-78, Jan. 28, 1994).

Multiple Employment Programs: National Employment Strategy Needed (GAO/T-HRD-93-27, June 18, 1993).

Multiple Employment Programs (GAO/HRD-93-26R, June 15, 1993).

The Job Training Partnership Act: Potential for Program Improvements but National Job Training Strategy Needed (GAO/T-HRD-93-18, Apr. 29, 1993).

Multiple Employment Programs (GAO/HRD-92-39R, July 24, 1992).

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Mr. PETERSON. Back on April 4, I wrote GAO a letter—I think you probably called—asking that you kind of build on what you had been doing and give us some options about how we could proceed to change this program.

And I guess I thought what you had agreed to was that you were going to come forward with some kind of specific recommendations about how we get there. What you have here today is good, general recommendations on what we need to do, but I guess I was expecting maybe too much, that you were going to lay out some specific proposals that could be put into legislative action.

In your chart here where you've got different bills listed and how they fit into your criteria, I guess that's somewhat useful, but it is hard to know—for example, you have got all of these bills or most of them—for example, the administration bill you've got meets every one of your criteria here. You have got a check in there. Is that correct?

Mr. CRAWFORD. Yes, that's correct.

Mr. PETERSON. It does reduce the number of programs but not very much.

Mr. CRAWFORD. Not very much, as we reported before.

Mr. PETERSON. So the extent of how much it meets these criteria I think is missing. Or is it at some other place and I don't know where it is?

Mr. CRAWFORD. We have, in addition to that chart in the back, the more detailed analysis which identifies where each of the legislative proposals are going.

Mr. PETERSON. Right. What you have kind of done is taken the 13 total and kind of analyzed them and given us some insight as to what you think they will accomplish and so forth. I think it is fair to say that none of these 13 bills addresses the problem in a way that Mr. Carnevale was recommending.

Mr. CRAWFORD. I think that's a fair statement. That's correct.

Mr. PETERSON. And you folks are either not about to or not ready to pull together something that you think might address all of these problems that we are talking about. Or do we have to take that upon ourselves and try to work with you on that? Or how do we get this done? How do we get to a point of getting a comprehensive bill?

Mr. CRAWFORD. In terms of getting to a comprehensive bill, we'd like to, obviously, meet fully your needs. What we can do and what we said in the past is we would be also happy to work with the committee in drafting a bill. We can take what we have here as well as our experience and work with the committee staff to draft a bill. We'd be happy to do that.

Mr. PETERSON. Do you feel like you have enough information now to be able to take a stab at that?

Mr. CRAWFORD. In working with your staff I think we could do that. There are still a lot of issues that would need to be addressed, but I think that we've seen enough, we've written enough, we've spoken to enough people that we could work with your staff to draft a bill and would be happy to do that.

Mr. PETERSON. Mr. Carnevale, would you concur? Have you looked at these 13 bills?

Mr. CARNEVALE. Yes.

Mr. PETERSON. That they have all have some good points, but none of them really—

Mr. CARNEVALE. I think there is a composite bill emerging here, if I might, and that is a bill that in the front end one really deserves proof, sort of earnest money, eliminates some programs and consolidates others. And there are various lists of programs for elimination that are floating around that are generally agreed to.

There are also some programs that have been listed for elimination in the President's budget that have not been eliminated, and there are also lists for consolidation. I think that is the front end of the bill.

I would argue what would—ought to happen then to give the system itself an incentive to follow through on elimination and consolidation is that the system ought to be allowed to keep the money—that is, to the extent that the one list that is in H.R. 4407.

The Goodling bill includes \$435 million worth of programs. If we eliminated all those programs, it seems to me that we ought to take at least a substantial share of that money and make it available to States, for instance, and allow them to build consolidated and more effective one-stop, no-wrong-door employment and training systems as part of the deal.

And then it seems to me the other pieces of the bill that are sort of floating around—the other is the notion of building a board or a commission to monitor this process over time. The various bills say 2 years, 3 years, and then there is discussions about making it run as long as 4 or 5.

And in almost all cases the notion is that the National Commission for Employment Policy would act as the—in the interests of not creating too many new institutions, to use the National Commission for Employment Policy as the staff arm, essentially, of that commission which would be comprised of secretaries of four departments on the administration side, ex officio Members from the Congress and business and labor leaders.

And then there is generally discussed a title in the bill that would then try to build this information system that would create a common core accounting system that is to take the five or six or seven things that all these programs do and ask every program to submit information annually, probably beginning in the next fiscal year, on these programs which would then give us information on the extent—on the amount spent for administration, training, education, counseling, job search assistance, placement and job development, for instance.

At that point, we'd have a management information system that would allow us to continuously monitor this structure and at the same time allow us to eliminate a lot of the more bureaucratic oversight procedures in current law.

And then the usual other proposals that is discussed is the notion of using the UI wage data base, which is something which is already available, a data base that allows us to assess in any Federal program the wage and employment impacts of that program and also gives us a labor market information system from whence we can figure out where the jobs are. That, I think, is the composite bill that floats among all these other bills.

Mr. PETERSON. Mr. Zeff.

Mr. ZELIFF. In terms of outcomes—and this is to both of you—is there much information in most of these programs where we have definitely outcomes to measure? And do they get measured? And, you know, what weaknesses do we have in that area?

Mr. CARNEVALE. The first problem tends to be that we don't measure what the programs do. That is, in most cases we don't know what the money is spent for. There are in every program categories for spending, but they are so loosely defined we really don't know.

That is, if you look at JTPA, the larger one, the annual reports, what you will see every year is that 70 to 83 percent of the money is spent on training. We know that's not true. Whenever the IG, the Inspector Generals, go out and look at these programs they very often find that 60 to 70 percent of the money is spent on administration.

We have not created tight definitions of services so the first problem we have is we don't know what the system is doing, and the definitions are different.

Second, most programs do not have outcome standards. The JOBS program, for instance, in the HHS department was mandated to build outcome standards I think 3 or 4 years ago by the Congress and still hasn't done it. There are some outcome standards in other programs, but they are not very useful, frankly. So—because we don't have very good measures of outcome standards that are consistent across programs.

So, in most cases, when we do training or education, first of all, since we don't really know what training and education really mean in these programs because we don't specify a definition and ask to be reported on the outcome, measures are relatively meaningless.

Mr. ZELIFF. Would you say that's because of mismanagement or because of the 14 different agencies that are responsible for it and the confusion that exists? Or why is it we don't have that now?

Mr. CARNEVALE. I think the public administration of these programs is radically out of line with the state-of-the-art in modern management and information systems. I think we need to modernize this structure. That is, the programs are administered in very traditional ways and that—very much in a public sector format. It is a matter of passing money between levels of government.

And we don't—the shame in all of this is, with effective information management, you can, in fact, decentralize this structure, grant autonomy to the deliverer of the service at the interface with the customer or the client and still have an information system that allows you to encounter efficiency and quality and continuous improvement over time.

The basic principle being that building a one-stop shop, for instance, a phrase that's about these days because of the administration bill, is not a matter of the bricks and mortar, building a building which—a way a lot of people literally think of this where you put everybody together in a single building. You wouldn't want to do that.

If you did that in Washington, DC, you would lose your outreach to Anacostia. If did you that in Washington, DC, you wouldn't want a veteran and disabled person and a disadvantaged person and a

dislocated worker all going to the same place for service because veterans have—the mission is different. They need a different mix of services and so on and so forth. And you want to have programs that are customized. You want veterans dealing with veterans.

So it seems to me that you can build the system, and it is done quite commonly in the private sector. That is, Sears Roebuck reports twice a day on its activities. Manpower Inc., which is a private employment training system, really is what—it has five or 600 units and reports once a day on all its activities and yet the local provider is autonomous in terms of delivery. You can do that with information services.

I think the government institutions, especially as a Federal structure, that is Federal, State, and local, we simply have to modernize that system. I think that's the problem.

Mr. ZELIFF. I wonder, in terms of outcomes, do we go to the point of getting this person placed on the job and do we measure how long that person is at that job? I mean, it seems like—I guess my time is up. Thank you.

Mr. CRAWFORD. One other thing I just wanted to add quickly is that part of the problem is that—the confusion over what the goals are. Some of the programs do not necessarily perceive that their goals are placing people in jobs. In some cases they perceive that they are involved in education and that's it. So they can tell you that a person attended a basic education class or they provided money for training but—and they see that's the end of their responsibility. So it goes deeper than just the accounting and managing.

Mr. ZELIFF. Thank you. Thank you, Mr. Chairman.

Mr. PETERSON. Mr. McHugh.

Mr. MCHUGH. Thank you, Mr. Chairman.

Even though I'm in the legislature I sometimes wonder that we don't legislate too much. I'm curious as I look over, particularly, Mr. Crawford's testimony and the four objectives and goals you set out how much do we need to get into the legislative side. How much of what you deem to be appropriate and necessary to make this system better can be done regulatory by the bureaucracy itself?

Mr. CRAWFORD. I don't think that you can legislate an employment training system from the Federal level. I think that what is needed from the Federal level is putting in place the basic infrastructure and the goals of what we want to accomplish. And it involves a partnership with the States and with the local communities and with the private sector to make this happen. So I would think that you will need some basic authorizing legislation and some requirements for standardized accountability or core data.

But then you'd want to engage the States and the local communities to work together with the private sector to tailor programs that make sense for them and then hold them accountable for results. Are they, in fact, putting people in jobs?

Mr. MCHUGH. Well—

Ms. MOROSKI-BROWNE. A part of your question is, is this statutory or regulatory? Much of the barriers to creating a cohesive system are statutory.

Mr. MCHUGH. I take, by your response at least, some are not.

I am curious what is happening right now. I am rather shocked—and naive—may be showing here as a freshman—but to arrive and understand there are 154 programs and \$25 billion worth of taxpayer money being spent here and to hear Mr. Carnevale say we simply don't know what the system is doing, and independent and various audits show 60 to 70 percent of administrative costs. I can't help but wonder what the hell is happening. What is going on in the bureaucracy that a better job is not being done? It just amazes me.

Mr. CARNEVALE. Well, the short answer to that I think is that we don't have a system in place that allows us to monitor the activities. And I think that's the bottom line here. That is, it is true that we don't know what the system is doing, in several respects—I mean, in some senses, in some programs, how many people are being served. We don't know what the services are, and we don't know what happens to them after they are served.

That is shocking. If we were running a company, that would be anathema. That is, we couldn't survive that way.

In terms of to what extent this is regulatory and statutory, it is a little bit of each. We write these programs for good reasons in almost every case.

In the case of a disabled person, those are administered with people with much more medical training, for instance, than those who run the training. And the content of the training is different. So you wouldn't want to have one training institution and one trainer delivering services to disabled and disadvantaged. Two entirely different curriculum and two different missions.

And connected to—if you are rehabilitating somebody who is disabled in some sense, there's another set of services that goes with that. You don't want to pull out the training and have it done across town somewhere.

So there is a reason why there are as many pieces as they are. It is a certainty that there are too many, but, no matter what we do, we will never get down to one program. And that's in the end you need a system that runs a company's programs. My bias being you move the information around, not the people, and not the traditional one size fits all, bricks and mortar solution here is really not state-of-the-art.

If we were a private company delivering services, we would be very much concerned about customizing the service to our client and in having a system that allows us to do that without it being a system which everybody just kind of does their own thing. And the way you then integrate a structure like that is with information.

Mr. MCHUGH. Well, at the risk of stating the obvious—we are under the 5-minute rule, Mr. Chairman, so I will be very brief. Obviously, there are at least two tragedies here, and one is the misappropriation of taxpayers' dollars. And at \$25 billion, even at the Federal level, that's significant. No. 1.

No. 2, and probably more importantly, are the people that we are obviously failing to serve effectively and that's those who need these kinds of services. And coming from New York State, where I understand we will hear later a good job has been done to try to overcome those challenges, I know firsthand of economic strife that

these folks are feeling. They need our help as effectively as we can possibly give it.

So, Mr. Chairman, I commend you and the other members of this subcommittee and committee for addressing that. And I don't intend to kill the messenger, in spite of how that may seem, and, obviously, we have got our work cut out for us.

Thank you. With that, I yield back.

Mr. PETERSON. We will continue 5-minute rounds if you have more questions.

Mr. Carnevale, I don't know that anybody disagrees with you about what you are saying here in terms of needing the information. But I am at a loss to figure out how we could accomplish that, given some of my experience with, oh, just interagency problems at HUD, at Agriculture. I mean, we can't even get those departments to come up with a computer system that can talk to each other even in the same building.

So what I want to know is how do you think we can get to a point of getting this information into some kind of a centralized system, you know, in any reasonable period of time? You have all these different kinds of mainframes, and you have got people that have system 36s and 38s and AS-400's and all these other different ones, you know, and they fight any kind of attempt to get them off—get it into some format that we can work across the system.

Now I know it can be done technically. The question I have is, how do we make it happen? First thing—if we tried to get this to happen, the first thing the GSA would get involved, and then we would be sunk, you know. I'm serious. That's what happens. The last people that are ever going to figure this out is the GSA, but they are the first one that gets involved. So maybe you know some way through this quagmire that I haven't thought of.

Mr. CARNEVALE. I have worked in the House and in the Senate and in organized labor and in the business community, always searching for power in Washington. And I just went through a move from one—the commission just moved a street over from where it used to be, and I finally dealt with the GSA, and I found out where the power is in Washington.

I think the answer is that, in my experience with this, dealing from this end of the avenue, the way that—you can overstudy these things. That is, the way that you get the agencies to move is to give them some specifics and ask them to respond. And what I would do is give them six or seven categories of activity services that are common among the programs and ask them to report back in all the programs on those categories at the end of next fiscal year.

Mr. PETERSON. In what format?

Mr. CARNEVALE. I think the machine issue is not a big issue any more. That is, it is relatively easy to accumulate this information. They give it to you in hard copy, you know.

Mr. PETERSON. But what good does that do us? What you are saying is we have to somehow or another have this available so when you go into whatever office you go into you can go into a computer terminal and see what the job is in Willmar, MN, you know. If you or I were running a company, we could get that done. My question is, given the situation we have, all the problems we have

with procurement and all the other rules we've got, how do we get there?

Mr. CARNEVALE. I think if you asked for those four or five categories of data that would be the first thing I would do. That would give you a basic management information across the system. You would then need to have an agency outside the departments handle that information and report it to the Congress and the NCEP—

Mr. PETERSON. Who would that be?

Mr. CARNEVALE. I think it is us, frankly. It is one of our functions to look across Federal employment and training programs.

Mr. PETERSON. So you would have a computer system that would compile all that?

Mr. CARNEVALE. Oh, sure, we have a system that would compile all that.

Mr. PETERSON. Do you have the money?

Mr. CARNEVALE. It wouldn't cost a lot of money to do this, in my reckoning. If people gave us files or even hard copy on these programs it wouldn't require much more than a couple of staff people to do this.

The second thing—

Mr. PETERSON. This would be—this wouldn't be an online, instantaneous kind of system. What you are talking about is accumulating data.

Mr. CARNEVALE. My guess is, at first, it wouldn't be on line, but it could be put on line quickly or moved around in as key files. The capability is here to do this.

One of the other things I would arrange and that is to get some MIS's from companies, that is MIS people from large companies to help with this.

Mr. PETERSON. Like the FAA, you mean? That has worked real well.

Mr. CARNEVALE. One other thing—

Mr. PETERSON. But the problem is, you know, we look into these things. And, for example, just to show you some of quagmires we get into—we have got—in the FAA, we have got these automated weather deals, and we have got 965 of them sitting around the country that are installed. Some of them have been there for 5 years. They are not hooked up and operating because they don't have the money to hook up the phone lines which are \$850 a month, even though there is technology there. So they could do this through the satellite for \$100 a month, and they won't change. So their solution is to do nothing.

And I guess what I would expect would happen if we try to do this is, we get down the line, all of a sudden we got to the point where we want to hook this up, and some bureaucrat would have us in a deal where it cost \$1,000 a month to hook it up to some phone line. And there wouldn't be any money, and we would be in the soup.

I think the main question is, how do we get by that problem that we run into in all these different agencies?

Mr. CARNEVALE. That is why I think in this board of some consequence you need an institution that represents the authority of the Government and the Congress that sits on this issue for 3 to 5 years with some persistence.

Mr. PETERSON. You don't have the authority now?

Mr. CARNEVALE. No.

Mr. PETERSON. Do you think that people in this Congress will give that to you? People are fighting like crazy.

Maybe I am being too negative. You wanted to say something.

Ms. MOROSKI-BROWNE. Part of working through solutions on these tough issues, particularly management information systems, people think it must be new, and the infrastructure must be new, and that's a lot of money. States have been wrestling with this for a while, and some States are working through some quite innovative solutions.

In fact, on your next panel you will have someone from New York talking about the GATEWAY system, and we had met with those people several years ago when they were in the design and early implementation phases. And they are basically taking their current automated systems into very diverse parts of the State, rural areas, urban, a mix of programs, and they are putting their technical people together with people that are coming up with the concepts, and they are making—they are helping and working through in terms of getting the systems to talk to one another.

So they are dealing with existing investments in terms of capital investments in technology and working through that, at the same time building in some standardized outcome measures as well within their current system. So that panel that follows could tell you about that.

Mr. PETERSON. Some of the States could do that. I don't doubt that.

I have a question, though. If the Federal Government gets into this and mandates this, what we might accomplish is to stop what's happening in the States.

Ms. MOROSKI-BROWNE. When we went out and spoke to New York officials, part of the discussion was about the barriers to innovation. And part of their answer was what they are doing there is happening despite the system, not because of it. So that there are significant barriers set up by the Federal Government that keeps them from going further.

Mr. PETERSON. Mr. McHugh, do you have any further questions?

Mr. MCHUGH. Just one general one. Out of 154 programs, any one of them doing it right?

Mr. CARNEVALE. I think, in fairness to the programs, in all of them, it is a situation you commonly find in programs, and that is somebody is doing it—everybody is doing something right somewhere. Everybody is doing—but nobody is doing everything right.

And over time the places where the right things are done tend to move around on you, in part because it is a system that is not very sure of itself. It sort of moves from year to year, especially the intergovernmental aspect of it. That is the combination of Federal, State, and local activity. We are still learning how to manage an intricate system like that in the United States. We haven't arrived yet in that.

Mr. MCHUGH. The reason I ask—and I think at least some of the chairman's comments pointed to the frustration that we all feel as we try to work within this government and try to do it effectively. That models of efficiencies or models that simply work are hard to

identify. And the thought being if we could identify one program that for whatever reason at one point in time did it all pretty well that model might help us to work with the other bureaucratic structures to make those kinds of changes. It is very frustrating.

Mr. PETERSON. We are going to have a couple of panelists coming up on the next panel that are going to show you some real success stories.

Mr. MCHUGH. I am aware of the State levels, and those are great. And I was in the State legislature in New York when the GATEWAY system began. I am not trying to claim credit. I am just saying I was there watching.

I recognize that, but I am concerned, as I know you are, Mr. Chairman, at the Federal level. The States are being innovative out of necessity as much as anything. I think we ought to try to point toward our own shop and say, well, here is one where we are working it well. Let's try to model.

Just a thought. Yield back.

Mr. PETERSON. Mr. Carnevale, do you think we ought to try to go at the whole thing in some kind of a bill or whether we ought to pass a Reemployment Act, which is kind of a first step, and then try to have some other mechanism to look at the longer term? Do you have any thoughts or preferences on that?

Mr. CARNEVALE. I have biases that I can give you. My bias is there are a number of things in the Reemployment Act that are very much a part of that, is the notion of one-stop shop and building systems in the State where you go through no wrong door. That is, whichever door you go there, there is information there that gives you the full set of services you might be eligible for.

The money in the Reemployment Act for dislocated workers I think is something that I think it is a shame that we can't get that money on the street quicker, and I think we need to meet—we need to get—my bias—you get as much of the Reemployment Act as you can and either that or then combine it with some of these other bills that are moving around on consolidation and systems reform.

And it may be that it looks as if, in order to move one, you have got to have the other. That's what it increasingly looks like. That in order to move the Reemployment Act we are going to have to do some of the systems reform. Because Congress and the Senate is a remarkable correlation between Senators Kennedy and Kassebaum. That is the full range of opinion in the Senate, I think, that share the same view. They want very much want to build a system very much like the one envisioned in the Reemployment Act, but they want some systems reform beyond what the act provides.

Mr. PETERSON. You are talking about management of this information?

Mr. CARNEVALE. Yes.

Mr. PETERSON. Do you think that one of these bills has a plausible, realistic answer to that part of the equation?

Mr. CARNEVALE. I think so. I think in combination they are really saying very much the same thing again. In the front end they eliminate programs and consolidate, and then they build systems, and then they—

Mr. PETERSON. How do they build a system? In which bill is it?

Mr. CARNEVALE. Well, the bill—the Goodling bill, for instance, it eliminates a variety of programs.

Mr. PETERSON. But how does it build an information system?

Mr. CARNEVALE. It then requires reporting on the basis of—well, then it largely tasks a board to build the system and to do further consolidation. It also then requires or allows for waivers and other provisions to allow States to consolidate programs.

The Kennedy-Kassebaum bill, as it is emerging, does a good deal more of the systems building. That is the common core of accounting across the programs.

Mr. PETERSON. By putting words in a bill I have a hard time understanding how this is really going to happen—realistically.

Mr. CARNEVALE. The bill would—

Mr. PETERSON. Just putting words in a bill and setting up a commission. Frankly, I am very skeptical.

Mr. CRAWFORD. I think another bill that attempts to do something along those lines is the Kassebaum bill. And it is doing something similar to the Reemployment Act in that, where the Reemployment Act envisioned, as you recall, the temporary bridge program after which time it would expire, so if the Congress doesn't act by certain dates something happens.

In the Kassebaum bill, I believe she proposes a repeal of certain programs at a certain point in time if there is no action. So, again, there are probably a lot of different ways. Maybe one of them is something where there would be a sunset provision: if the Congress doesn't act, something would happen.

Mr. PETERSON. What happens if these programs are repealed? What happens to the money in these bills? Does it cancel back?

Mr. CRAWFORD. It goes back.

Mr. PETERSON. Reduces the deficit?

Mr. CRAWFORD. Yes. I think one of the things that Mr. Carnevale made was a good point in terms of how to create a consensus in the Congress to help move the debate along would be to hold harmless a certain portion of the money.

Because I think what you will find as you go down and you identify program X or Y to be eliminated or consolidated, the constituencies are going to become vocal.

One of the things that the Reemployment Act does is it takes a cut at deciding who is going to be served under the dislocated workers programs. And, as a result, some people who didn't have access to some of the more generous benefits would have access. Conversely, some of the ones that had access to generous benefits may no longer have access to that level of benefit. And that's the problem that the Congress are going to have to face. The Congress is going to have to make some tough calls about who is going to be served and what levels of service are going to be provided.

Mr. PETERSON. On page 6 you said, care must be taken to consolidate or eliminate only those programs that share similar characteristics such as goals, client groups, services, and delivery mechanisms. Do you mean that in order for them to be consolidated or eliminated they have to share every single goal and characteristic? And, if so, do you have a list of programs that you think should be consolidated? Have you gone to that level?

Mr. CRAWFORD. Yes.

Mr. ROGERS. First of all, I think the key in terms of consolidating programs is putting like programs together. If you are serving a particular population group—for example, let's say the economically disadvantaged—that you would want to take the programs that serve the economically disadvantaged and consolidate them together. If you have programs serving veterans, you want to put those programs together.

I think Mr. Carnevale said in terms of that, that you do not want to try to put people who are being served in terms of disabled with people who are in a different category. I think that makes sense.

So when we talk in terms of like programs we are talking about, basically, programs that serve the same populations, but also programs that have the same goals, the same delivery structures. The greatest gain that is achieved when you put the programs together that share those common elements.

Mr. PETERSON. Have you got us a list?

Mr. CRAWFORD. Yes. Four target populations, 38 programs we have looked at in detail.

Mr. PETERSON. Have you got that in writing someplace?

Mr. ROGERS. There is a report that we put together a couple of weeks ago that identifies programs that share common goals.

Mr. PETERSON. Do we have that report?

Mr. ROGERS. Yes, you do. It was a report that was issued to Senator Harkin, but it identifies programs that share common goals that could be consolidated.

We are not specifically recommending that those programs be consolidated, but we are identifying programs that would share those kinds of elements that would make sense to put together.

Mr. PETERSON. Mr. McHugh, do you have any further questions?

Mr. MCHUGH. No, Mr. Chairman.

Mr. PETERSON. I think we are going to move on to the next panel. We may have some further questions we might submit to you in writing, and we will be back in touch with you to folk about those reports and maybe possible legislation.

Mr. CRAWFORD. Great. We would be happy to work with you.

Mr. PETERSON. Thank you very much for being here and your work and your testimony and so forth.

Mr. CARNEVALE. Thank you.

Mr. PETERSON. We are next going to call the final panel: Ms. Deborah Sale, chief of staff to the Lieutenant Governor, State of New York; and Jean Dunn, executive director of the Minnesota Teamsters Service. They are doing some fine work at the State and local level in kind of different avenues. We thank them for appearing before the subcommittee today.

As you noticed, it is our custom in our investigative hearings to swear in all witnesses. So if you don't have any problem with that we will ask you to stand and raise your right hand and be sworn.

[Witnesses sworn.]

Mr. PETERSON. Your full statements will be made part of the record, so you can summarize your whatever you want to do.

Ms. Sale, we will begin with you, and welcome to the committee. Thank you for being here.

STATEMENT OF DEBORAH SALE, CHIEF OF STAFF TO LIEUTENANT GOVERNOR, STATE OF NEW YORK, ON BEHALF OF THE NEW YORK STATE JOB TRAINING PARTNERSHIP COUNCIL.

Ms. SALE. I appreciate this opportunity to appear before you today on behalf of the New York State Job Training Partnership Council.

I am Deborah Sale, chief of the staff to the Lieutenant Governor, Stan Lundine, who was a member of this body prior to becoming the Lieutenant Governor and serves as vice chairman of the New York State Job Training Partnership Council.

I am particularly pleased to appear before a body who so completely understands the importance of job training and preparation for new work force challenges.

Between next November's elections and the date they take office, your new colleagues, as Mr. McHugh did just 2 years ago, will have a whole range of orientation programs available to them. They will have policy training, ethics training, tours of their new office space, instructions on House procedures, training in the arcane arts of payroll, accounting, bookkeeping, hiring and staff supervision.

Now, in November, they may come here scared to death of the challenges that face them, but they will be ready to meet those challenges in January when they begin their new job.

It is that experience, one that will be familiar to both of you, I am sure, of your first days on the Hill, that I believe will enable you to appreciate what we are trying to accomplish in New York for our citizens' as they look to us for job training assistance.

I will particularly speak about three of our efforts: The GATEWAY initiative, New York's Workforce Preparation Evaluation Act, and then I would like to speak to recommendations on restructuring work force assistance at the Federal level.

Governor Cuomo introduced the GATEWAY initiative in 1990 as a response to the JTPC's Creating A Vision report which highlighted New York States' need to integrate education, employment and training, social services, and economic development policies in order to address the needs of our citizens in a rapidly changing economy.

GATEWAY is not a traditional government program. There is no overall State design, nor are there special funds allocated for its purposes.

From the outset, GATEWAY has relied on local-State partnerships encouraging local design and creative experimentation. The State assists in implementation, gives access to statewide programs and information systems and ensures some basic consistency so that different GATEWAY communities form a broader network. The local partnership agencies gain these resources to better serve their clients.

GATEWAY creates a no-wrong-door system of service delivery. A customer may contact GATEWAY partner agencies—any GATEWAY partner agency—and either receive the services they need or be referred to the appropriate agency to receive those services. Using technology, GATEWAY attempts to move information rather than people from place to place.

The key to GATEWAY is its simplicity. Recently, three of our clients from Niagara County all had essentially the same reaction to GATEWAY. They said, "I went to one place. I gave them the information about me once. They helped me figure out what I needed, and they delivered the services."

John Hahn, who was here at the White House for the introduction of the Reemployment Act earlier this year, illustrates how GATEWAY works at its best. He is 58 years old. After working for 28 years in the same aerospace plant, he was told the plant was closing. Two years short of retirement he was left with uncertain prospects.

But the next day, in his words, "GATEWAY came to me and said, don't worry. We will take care of everything. And, in fact, they did."

Mr. Hahn is now a biomedical technician.

The GATEWAY that came to him was a representative from the local community college, the JTPA program and the job service. They brought with them all the services of 18 different GATEWAY agencies as well as the AFL-CIO, all committed to helping Mr. Hahn and his coworkers find new employment.

Mr. Hahn didn't have to work his way through the maze of Federal regulations and Federal programs or State regulations and State programs. He found agencies who helped him work that maze—work through that maze because they essentially eliminated the maze.

In many GATEWAY communities, a customer may call an employment help line for information and referral. Employers may call one number to reach the qualified job applicants for a particular job opening that they may have.

The basic building blocks of GATEWAY are four statewide systems: our department of labor community service centers, the department of education ACCESS centers, what we call CEOSCS—comprehensive employment outreach service centers—and our community colleges. These are linked to local job training programs.

Our department of labor community service centers offer one-stop service by colocating and integrating the employment service and the unemployment insurance services, and they often house other State and local programs such as JTPA and JOBS. They have been in place since 1988 and are similar in concept to the one-stop career centers envisioned in the Reemployment Act.

ACCESS centers and CEOSCS provide a full range of educational and training services, occupational training child care and other support, and many of them are located at our community colleges. New York community colleges have long been known as a very effective tool to prepare youth and adults for the modern workplace. They are a key element here, clearly.

The elements to GATEWAY's success are local design with State support, shared services and resources, the linkage of existing programs without compromising their identity or integrity. GATEWAY avoids costly duplication of services.

Now, in a rational system like GATEWAY there is a need for consistent information about program quality in order for us to serve our clients well. To address performance measurement, Governor Cuomo in 1988 signed the Workforce Preparation Evaluation

Act. It requires State agencies administering work force preparation programs to prepare annual program plans and report performance outcomes against program objectives. Our goal is to increase program accountability.

While the Workforce Preparation Act gives us a clearer picture of all the elements that make up our system, we still face many challenges in data collecting and reporting.

There are two barriers which you could help us with that are particularly challenging. First, as the recent GAO report points out, reporting requirements for differing Federal programs are markedly inconsistent. This prevents us from comparing results across programs. It also frustrates the customer who must provide essentially the same information in different forms for different programs.

Second, many Federal agencies require only limited followup and only reimburse States and localities for monitoring during that limited period. So even if we think that monitoring people for a much longer period or really finding results requires a much longer term monitoring period, there is no Federal incentive to do so, and, in fact, there is a disincentive to do so.

As a result of our experience, we would like to make some recommendations toward reform at the Federal level. The Reemployment Act contains some positive steps toward creating a more rational work force development system focusing on the customer. Its provision for consolidation of similar programs and funding sources is a constructive first step.

It also allocates funds to systemic change, and we think that is very important. We think that will have paybacks both short term and long term, and we would welcome further systemic initiatives.

We understand an effort is currently underway among the major Federal agencies to bring about consistency in definitions used by various programs. That may sound dull and boring, but it is a tremendous barrier to program and service coordination. Not having common terms and common definitions is very, very difficult. We urge the Congress to support the Federal interagency initiative in that area.

While it is important that the Federal Government set certain basic standards for performance measurement, it is essential that performance measures be tailored to suit local conditions and labor markets.

We in New York cannot overemphasize the need to move work force development programs toward a system of life-long learning. Such a system should be available and accessible to a student, a public assistance recipient, a dislocated worker or a worker who needs to upgrade his skills.

We strongly urge that any changes in the current system begin with a clear focus on the individual, serving the customer's needs in the most direct way. Our experience has shown that by beginning with the customer the natural tendencies of bureaucracy to complicate and duplicate are suppressed.

New York is committed to passage of the Reemployment Act this year. We recognize that many of the workers dislocated during the recent recession will not benefit from our slow but steady economic growth without a training and employment system to guide them.

We have been greatly encouraged by your efforts and those of the House Education and Labor and Ways and Means Committees toward making the work force development system more comprehensive and better coordinated. New York stands ready to work with you to create a more logical and useful work force training system for its citizens.

I appreciate being here today, and I would be happy to answer any questions that you have for me.

Mr. PETERSON. Thank you very much. We appreciate you being here.

[The prepared statement of Ms. Sale follows:]

TESTIMONY
OF
DEBORAH SALE
ON BEHALF OF
THE NYS JOB TRAINING PARTNERSHIP COUNCIL
BEFORE
THE EMPLOYMENT, HOUSING AND AVIATION SUBCOMMITTEE
OF
THE HOUSE GOVERNMENT OPERATIONS COMMITTEE
HEARING
ON
"OPTIONS FOR RESTRUCTURING THE FEDERAL EMPLOYMENT AND TRAINING SYSTEM"
AUGUST 4, 1994

Thank you Mr. Chairman, for this opportunity to appear today on behalf of the New York State Job Training Partnership Council. I am Deborah Sale, Chief of Staff to the Lt. Governor, who serves as Vice Chair of New York's Job Training Partnership Council.

We appreciate this opportunity to share our experiences with restructuring New York's workforce development system. Specifically, I will focus today on:

- 1) New York's GATEWAY initiative;
- 2) New York's Workforce Preparation Evaluation Act; and
- 3) Recommendations on restructuring workforce assistance at the federal level.

1. GATEWAY

Governor Cuomo first introduced the GATEWAY initiative in 1990. The Job Training Partnership Council, under the direction of Lt. Governor Stan Lundine, released a report that year entitled Creating a Vision: The Workforce Preparation System for the Future, which highlighted the need for integrating "the public policy agendas of education, employment and training, social services and economic development" in order to address the needs of the workforce in our rapidly changing economy.

GATEWAY is not a traditional government program: there is no overall state design, nor are special funds allocated for GATEWAY purposes. From the outset GATEWAY has relied on a local/state partnership that encourages local design and creative experimentation. The State assists in implementation, gives access to statewide programs and information systems, and ensures some

basic consistency so that different GATEWAY communities can link together in a broader network. This gives the local partnership agencies resources to better serve their clients.

The GATEWAY approach to service delivery creates a "no wrong door" system of services. In a GATEWAY community, a customer may contact any GATEWAY partner agency and either receive all the services they need directly or be referred to the appropriate partner agency, with a minimum of duplication. Using the latest technology, GATEWAY attempts to move information rather than people from place to place.

Many of our customers tell us that the key to GATEWAY is its simplicity. In February, 1994, at a conference sponsored by the United States Department of Labor, three GATEWAY clients from Niagara Falls, New York, related their experiences in finding training and a job through GATEWAY. Each had a similar reaction: "I went to one place, I gave them information about me once, they helped me to figure out what I needed and they delivered it."

One of those customers, John Hahn, was invited to the White House in March 1994 when President Clinton formally introduced the Reemployment Act. Mr. Hahn's story typifies how GATEWAY works at its best. At the age of 58, after working for 28 years in the same aerospace industry plant, Mr. Hahn was told that the plant was closing. Two years short of retirement, Mr. Hahn was left with uncertain prospects, but the next day, he explained, "GATEWAY came to me and said 'Don't worry, we'll take care of everything' and they did." Mr. Hahn is now working as a bio-medical technician.

When Mr. Hahn said GATEWAY came to him, it was, in fact, a representative from the local community college, JTPA program and the Job Service. But they brought with them all the services and programs of eighteen other GATEWAY partner agencies, as well as the AFL-CIO, which had committed their resources to helping Mr. Hahn and his co-workers make a transition to other employment. GATEWAY made it easy for John Hahn. He didn't have to work his way through the maze of federal and state programs in order to find what he needed; the agencies themselves simplified the maze and guided him through.

In many GATEWAY communities, a customer may call an inter-agency employment "helpline" to learn about the programs and services available in the community and to be referred to the right place. In turn, employers may call one number to reach the qualified job candidates of several cooperating agencies.

The basic building blocks of GATEWAY are four statewide systems: Department of Labor Community Service Centers, Department of Education ACCESS Centers, Comprehensive Employment Outreach Service Centers, or "CEOSCS", and community colleges. These are linked with local job training programs such as JTPA and JOBS.

Labor Department Community Service Centers offer job seekers one-stop services by co-locating and integrating the employment service and unemployment insurance services, and often house other state and local programs such as JTPA and JOBS. Community Service Centers, which have been in place since 1988, are similar in concept to the one-stop career centers envisioned in the Reemployment Act of 1994 (although they have a different governance structure). Education "ACCESS" Centers and CEOSCS, which are found in most of our communities, provide a full range of on-site educational services, occupational training, child care and other support. Community colleges, of course, are a powerful resource for preparing youth and adults for the modern workplace.

There are three key elements to GATEWAY's success. First, there is local design with State support. At each GATEWAY site, a planning group of local and state partner agencies, schools, elected officials and employer groups decides how and where services should be offered. Second, each partner gains by sharing services and resources. Local agencies have access to statewide programs and systems. Third, existing programs and services are linked without compromising their identity or integrity and we thereby avoid costly duplication.

2. New York's Workforce Preparation and Evaluation Act

A rational system like GATEWAY requires consistent information about program quality in order to best serve the clients. To address performance measurement, Governor Cuomo in 1988 signed the Workforce Preparation Evaluation Act. It requires state agencies responsible for administration of workforce preparation programs to prepare annual program plans and report actual performance outcomes against program objectives. The goal of the Act is to increase program accountability and to provide information to aid policy makers. Prior to the implementation of the statute, there was no single reporting system to account for the state's and the federal government's investments in workforce preparation.

While the Workforce Preparation Act has given us a clearer picture of each of the complex elements that make up our system, we still face many challenges in data collection and reporting. Understandably, "success" vis-a-vis some objectives is hard to quantify. There are two barriers, however, that are particularly challenging.

First, as the recent series of GAO reports has documented, reporting requirements for different federal programs are markedly inconsistent. This prevents us from comparing results across programs. It also poses a challenge to the customer, who must provide essentially the same information in different forms for different programs.

Second, many federal programs require only limited follow-up and will only reimburse states and localities for the cost of monitoring during that period. For example, the requirement might be to report whether a worker is still employed six months after a job placement. Thus even when we have determined that keeping more extensive information would be valuable, there is no federal incentive to do so. In fact, the result is to keep us from doing so.

3. Recommendations on Restructuring Workforce Assistance at the Federal Level

As a result of our experience I would like to make some recommendations toward reforming workforce assistance at the federal level. The Reemployment Act of 1994 contains positive steps toward creating a more rational workforce development system that focuses on the customer. Its provision for consolidation of similar programs and funding sources is a constructive first step. The Reemployment Act also allocates funds to carry out systemic change, which we believe will be a wise investment with immediate as well as long term returns.

Further steps, however, would be welcome. We understand an effort is currently underway among the major federal agencies to bring about consistency in definitions used by the various programs. The issues of core terms and common definitions, while tedious and unglamorous, stand as a serious barrier to program and service coordination. We urge the Congress to support the federal interagency initiative in this area.

We strongly urge that any changes to the current system begin with a clear focus on the individual as customer, and on serving that customer's needs in the most direct way. This is true both when considering what services to offer, and when designing the reporting and performance requirements for programs. Our experience has shown that by beginning with the customer, the natural tendencies of bureaucracy to complicate and duplicate are suppressed.

Performance measures need to be tailored to suit local conditions and labor-markets, yet still maintain consistency so that information can be compared both inter- and intra-state. Accordingly, while it is important the federal government set certain basic standards for performance measurement, it is equally essential that states' measurements be added to reflect local and regional labor-market conditions.

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We in New York cannot over emphasize the need to move workforce development programs toward a system of life-long learning. Such a system would be available and accessible to an individual whether a student, a public assistance recipient or a dislocated worker.

New York is committed to passage of reemployment legislation this year. We recognize that many of the workers dislocated during the recent recession will not be in a position to benefit from new economic growth without a training and employment system to guide them.

We have been greatly encouraged by your efforts and those of the House Education and Labor and Ways and Means Committees and the Administration. These efforts will move us toward making the workforce development system more comprehensive and better coordinated, and will engage our participation in a constructive dialogue to shape necessary legislation. New York stands ready to work with you to create a more logical and useful workforce training system for our citizens.

Again thank you for the opportunity to testify today. I would be delighted to answer any questions you may have.

New York State GATEWAY Initiative Fact Sheet



NYS HUMAN INVESTMENT SUBCABINET

GATEWAY, a 1990 State of the State initiative of Governor Mario M. Cuomo, streamlines the state's workforce development programs into a service system to help New Yorkers obtain employment, training and support services and to provide employers with more skilled workers. Local and state service providers work together to offer access to a full range of high quality services to all customers who are seeking work or training, or who wish to improve their skills or start a new career, or to employers seeking to hire qualified workers.

- * GATEWAY was first described in "Creating a Vision: The Workforce Preparation System of the Future", published by the Job Training Partnership Council in early 1990.
- * The study called for the state's workforce preparation programs to organize into a comprehensive network of services accessible to all customers: job seekers, labor organizations and businesses.
- * Governor Mario M. Cuomo endorsed GATEWAY's concepts in his 1990 State of the State Message to the Legislature and established a state Human Investment Subcabinet, bringing together the lead agencies involved in preparing New York's workforce to oversee the implementation of GATEWAY.
- * The Subcabinet is chaired by the state's Director of Policy Management. Members include the state Departments of Labor, Social Services, Education and Economic Development, the Job Training Partnership Council, the State and City Universities of New York, the Division for Youth and the Division of Human Rights, the Higher Education Services Corporation, the State Office for the Aging, the Office of Alcoholism and Substance Abuse Services, and the Council on Children and Families, Division for Women, Division of Veteran's Affairs and the Office of Vocational & Educational Services for Individuals with Disabilities.
- * GATEWAY is implemented through a unique local and state partnership, with all priorities and strategies established by a local planning group according to the special needs, interests and capabilities of their communities, clients, service providers, employers, geography and resources.
- * In order to facilitate the implementation of GATEWAY, a Subcabinet Work Group coordinates state actions, working primarily through 5 committees that assist local planning groups in the following areas: planning and funding simplification, information management and technology, staff development, service integration, and marketing.

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* In GATEWAY, there is a "no wrong door" network of service providers and schools. Customers visiting any agency can reach all the services they need as easily as possible. New York State Department of Labor Community Service Centers, the Education Department's ACCESS centers, community colleges and BOCES are all included in GATEWAY.

* Three locations with model human resource programs already in place were chosen in the spring of 1991 to test GATEWAY: Monroe, Suffolk and Niagara counties. The Bronx in New York City joined the GATEWAY pilot program in the summer of 1991.

* Since the initial four pilot counties were invited to participate, another seventeen counties have requested designation. GATEWAY networks are now in various stages of development in twenty-one counties.

* The GATEWAY sites are following a common set of guiding principles in their efforts to implement GATEWAY. This is being accomplished in partnership with the state Subcabinet by using management information technology, co-location, interagency regional and local planning, and other innovative measures.

* Each GATEWAY site organizes its own governance structure, creates a planning group that includes all job training, education and related organizations in the community and selects a local coordinator to facilitate implementation.

* Examples of local GATEWAY actions include:

- Linking all major workforce agencies together with updated and accessible computer technology in order to move information instead of customers.
- Co-locating key workforce development services in accessible, user-friendly sites.
- Creating local employment and training "hot lines" to improve customer access to information and services.
- Instituting shared job applications, job development and job listing procedures to better serve employers.

* GATEWAY has received national attention and recognition as a model for service integration and customer satisfaction. In March 1994, Niagara County's GATEWAY dislocated worker program, which organizes the services of twenty-one partner agencies, was showcased at a ceremony at the White House. The program has also been recognized by the NYS Association of Counties.

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Mr. PETERSON. Next we have Jean Dunn, who is with the Minnesota Teamsters Service Bureau. And I became familiar with some things they are doing in Minnesota, and I thought it would be worthwhile for people to hear a little different approach on how they make some stuff happen out there. So we appreciate you being with us and look forward to your testimony.

**STATEMENT OF JEAN C. DUNN, EXECUTIVE DIRECTOR,
MINNESOTA TEAMSTER SERVICE BUREAU**

Ms. DUNN. Thank you. Thank you, Mr. Chairman, committee members.

It is an honor to be here today representing not only the 50,000 Teamster members in the State of Minnesota but the many thousands of dislocated workers and workers at risk that we have been striving to assist and who will benefit from the work that you are doing here today.

I have given you testimony—rather lengthy testimony—that I understand you had an opportunity to review and will be part of the record, so I don't want to go over that. I have been asked to limit my comments to about 5 minutes, and I will strive to do that—although I have a kind of different reputation back in Minnesota for that, but I will do my best.

I think I need to tell you a little bit about where the service bureau has come from in terms of its history. We began in 1986 in a small way working on dislocated worker programs. Because of our experience there and noticing and realizing the devastation that people were going through and the difficulty adults were having in terms of returning to a training situation, we began to take a larger and larger role in facilitating our members' movement through the dislocated worker process.

But it also sent us back to the drawing table because we wanted to see if there wasn't a more proactive role that we could play. The dislocated worker programs and there are good things about the dislocated worker programs, do not meet all our needs. It distresses me to hear today from previous speakers that there is no accountability because, boy, I feel like we are made to be very accountable.

I would like to offer the committee at least one ray of hope and that is that our current placement rates in our dislocated worker programs are 84 percent of participants who enroll are actually placed before the end of their 12- or 18-month program in jobs with average wages at about \$10.74 an hour. So they are not completely replacing the jobs they left, but they are making a good start.

There are a lot of barriers for dislocated workers to return to that training environment, and we wanted to believe—as wonderful as the dislocated worker program is, it is a reactive program. In other words, you wait for the devastation to hit and then you try to clean up the pieces.

What we found is a more proactive approach was in the U.S. Department of Education's Workplace Literacy Demonstration Programs. We have been funded three times from the U.S. Department of Education to provide workplace literacy services that allow us to work with a group of folks who have not yet lost their jobs but who are at risk because of changes in their industry.

Our presumption in going into workplace literacy was that the barriers to training would be less for the participant in workplace literacy than they were for the dislocated worker because the workplace literacy participant was still drawing his or her paycheck, was receiving the training at the work site and did not have to deal with looking for new employment. That didn't turn out to be accurate. They still had the same barriers. We came to identify that barrier as being something much larger than simple career change, it was the idea that people were operating out of a place where they felt going to work for one employer was where they were going to work for the rest of their lives.

There is no acknowledgment of life-long learning kinds of needs by these adult workers and no attention paid in any of their training up to the point of employment that dealt with employment prerequisite skills.

Again, we went back to the planning table and said there must be a way for us to impact workers before they become workers. How do we start working with people who are going to be in the work force tomorrow? How can we deliver this concept of life-long learning and play a role in preparing the work force for a changing industry and changing work environment?

We found a way to do that through the State board of education and petitioned for a charter school that would have a vocational orientation. We did this in partnership with the Minnesota Business Partnership, the University of Minnesota, and a small school district, Rockford school district, that had some already existing programs related to vocational training for their students.

We were granted that charter, and we enrolled our first students in March 1994. Those students are participating in an applied curriculum where we are delivering those prerequisites, learning opportunities in work-based environments and in community based environments. We are delivering the requirements they need for high school graduation but in an environment and in a process that makes clear coordination with what their futures are going to be.

In other words, their math, their English, their reading, even their physical education and health education is taking place in industry settings and in community settings. We are delivering prerequisite skills that we have identified, and that research has identified as those things that relate to job flexibility. And Mr. Carnevale talked about the need for flexibility in the work environment, and we are talking about flexibility needs for the worker himself.

Those prerequisite skills are grouped around maybe three areas. And that is: Problem-solving skills, interpersonal skills, and team building skills. So what we are trying to do with the students who are enrolled in the charter school is to deliver that kind of environment so that, as they become the workers of tomorrow, that they will be prepared for the flexibility and the career changes that are undoubtedly facing them.

We do have some recommendations about what is happening in the consolidation of the education and training programs. If I could leave you with just one recommendation, although I have three, the one I would like you to most remember is that we have found that the real strength in our success and the real strength of the pro-

gramming we have been able to be involved in comes from public-private partnerships.

The Teamsters Service Bureau has been able to reach out and find partners to deliver services to the affected groups that maybe seem a little irregular or a little like strange bedfellows in some settings. To have the Teamsters partnered with the Minnesota Business Partnership to some seems like quite a stretch. The fact is the Minnesota Business Partnership has a whole agenda of things that we don't necessarily agree with. We have a whole agenda of things that they don't necessarily agree with. But we do agree on the fact that the work force of tomorrow is not going to be prepared unless we come together as business and labor and begin to deliver to the work force of tomorrow the kinds of training that they are going to need in order to be employable.

Those partnerships have resulted—and I talked about many of them in my written testimony—not only in coming together on these kinds of services where we are bringing our organizations to the table, but it also has resulted in direct contributions from private parties, private business to enhance our dislocated worker programs, to enhance our workplace literacy programs.

We had contributions from companies that have laid off or dislocated their work force that have been significant: \$50,000, even \$1 million from some employers who have a real commitment to making sure that the transition for their dislocated workers happens. In the workplace literacy arena the alliance, which is a training program that has been bargained for between AT&T and the Communications Workers of America, has put hundreds of thousands of hard dollars into the training programs for their workplace literacy program that we are operating for them.

Again, I guess I have gone on too long, but the other two recommendations that I need to at least address a little bit is that, yes, it is very true that we need to reduce the barriers between the programs. This is an incredible facet that you are looking at, but the problem that we need you to pay attention to for us and to ensure that the kinds of programming and the public private partnership can be maintained is that we need to remember that the goal here is to return people to employment. That is the goal of all of the reemployment programs.

To try to segment pieces of that process are not going to be conducive to delivering a full program to an individual. In other words, as many of the witnesses up here today have said, we need to concentrate on what the individual client needs. We need to have a diversity in service delivery while we still work to minimize the barriers between the variety of programs that any one individual might be able to access.

I would be glad to answer any questions you might have and hope that I have given you some indication and some hope that the programs that are operating out there really do work and that there are any number of innovative ways that program providers are able to establish delivery systems that really do meet the needs of dislocated workers and the unemployed folks in the States. Thank you.

Mr. PETERSON. Thank you, Ms. Dunn.

[The prepared statement of Ms. Dunn follows:]



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Jean C. Dunn
Executive Director
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Testimony to the U.S. House of Representatives Subcommittee on
Employment, Housing and Aviation

August 4, 1994

Mr. Chairman and members of the subcommittee, my name is Jean Dunn. I am Executive Director of the MN Teamsters Service Bureau, a human service agency providing assistance in a variety of areas including family services, re-employment, and training to Teamsters and other working people in the state of Minnesota. I am very honored to have been invited here to address this subcommittee regarding our work in employment and training. I come here today representing not only the 50,000 Teamster members in the State of Minnesota but also those working people who have suffered economic dislocation due to job loss, and those who have not yet lost their jobs but must every day face the uncertainty of a workplace in transition, not knowing if they have the ability to survive the enormous changes they see coming.

I have had the opportunity to review some of the testimony you have already heard so I know that you are well aware of not only the problems that exist in the delivery of re-employment programs, but also many of the proposed solutions. Today I am pleased to both tell you about the programs we operate, and share a somewhat different perspective on what strategies might enhance the delivery of these vitally important services.



TEAMSTERS — PEOPLE HELPING PEOPLE

BRIEF HISTORY:

By the mid 1980s it had become apparent to the Teamster leadership in Minnesota that many of the problems their members were facing in their home and community lives were impacting their well-being at the workplace. Since the bargaining agreement could not adequately address all of those issues, the Teamster Locals of Joint Council 32 reached into their resources and funded a program that could provide professional, confidential assistance to their members in need. The Minnesota Teamsters Service Bureau (MTSB) was established in 1986 to respond to the human service needs of the Teamster members and their families throughout the State of Minnesota. When I was hired in February of 1986 to begin this program, I was given one mandate--stay responsive to the needs of the Teamster membership and their families.

We began that response by designing an information and referral system based on case management and client advocacy. I had one staff person and together we began responding to the members needs in chemical dependency, counseling, financial restructuring, housing, food, child care, pension, health insurance, social security, retirement planning and on and on. We helped people in desperation to identify their problems, prioritize their needs, make a plan for resolution, and implement the plan. It has been an effective system. The Service Bureau is about empowerment and returning control of lives back to people who feel out of control and victimized.

When our members began experiencing job losses due to trucking deregulation, we implemented this same system of advocacy to assist these dislocated workers. Our first step in Job Training Partnership Act (JTPA) services began with a small sub-contract from a local Sub-State Area (SSA) to provide needs assessments for support services available under Title III, Dislocated Worker Services. That was in April of 1986. Since that time we have taken more and more responsibility for providing these program services. Today we are the largest provider of discretionary dislocated worker services in the State of Minnesota. Our staff of two has increased to 38 fulltime staff and 4 parttime contractors. In 1993 we were operating 22 different plant specific dislocated worker projects. Today we are serving workers from 15 different dislocations.

We learned a lot doing the dislocated worker program. We saw the devastation caused by job loss in the lives of our members and their families. We saw strong, independent, self-sufficient people traumatized by the concept of returning to a training facility in order to learn marketable skills for re-employment. We saw people go from \$80,000 a year jobs to \$20,000 a year jobs because they needed to take any kind of job that could at least provide some health care benefits for their families immediately. These clients could not take the time they needed to re-train for more lucrative jobs. We realized very soon that despite its inherent limitations the dislocated worker programs were wonderful safety nets for some, but not all. We felt there had to be some other, more pro-active

steps we could take to prevent this dislocation devastation from happening over and over again.

We found a more pro-active role in the U.S. Department of Education's National Workplace Literacy Demonstration Programs. Grant dollars for these programs allowed us to work with members who were still employed but who were at risk of dislocation because of significant changes in their industry. Our presumption was that this population would be more open to training and skill development since they could receive the training at their work site, while still drawing their pay check, and with curriculum that was specifically designed for their workplace. To some degree that was true. However, we also found a good deal of resistance to learning. There was still the fear that this program was somehow a ploy by management to find weaknesses in individual workers that would result in termination. There was still a real fear of failure and a real sense of inadequacy. We have been able to address those fears and have had good results in these programs. But, our experience in workplace literacy sent us back to the planning table again. Wasn't there somehow to get to workers before they became workers...what if we tried working with high school students...what if we started introducing the idea of life-long learning to young people before they hit the job market...was there a way for us to deliver "tools" to tomorrow's workforce that would serve them well in any number of career changes?

Well, there was a way to do that. Together with the Minnesota Business Partnership, Rockford School District, and the University of Minnesota, the Teamsters petitioned the State Board of Education for a charter high school that would have a vocational orientation and that would include apprenticeship opportunities. We were awarded the charter in January of 1993 and in March of 1994 we enrolled our first 25 students in Skills for Tomorrow High School. Our students are housed at St. Thomas University, downtown Minneapolis campus. They are using an applied curriculum that attempts to make learning relevant for their lives and their futures.

This has been a natural progression for us. A long the way we have also developed programs to provide non-traditional employment for women, enhanced employment opportunities for minorities, and most recently, a transition training demonstration project for our members in the defense industry. The one factor most responsible for our success in all of these areas has been our ability to create public/private partnerships. These partnerships are forged by a commitment to common goals among diverse groups. We have always been able to find partners who share our concern for the workers of today and tomorrow. Perhaps our total agendas don't match, but through a concerted effort to focus on what we have in common and minimize what interests we do not share, we have been able to make a difference in the lives of many people.

Following are more detailed accounts of our efforts in all of these employment and training areas including funding sources, service delivery, partnerships, outcomes, and problems. Each of these program areas could easily be a dissertation in itself. I

will strive to condense these recitals for purposes of this testimony, but would welcome the chance to provide greater detail about any one of these projects.

The final section of this testimony will be devoted to recommendations for changes in federal job training laws and regulations that would enhance the effectiveness of our operation.

DISLOCATED WORKER PROJECTS

I know you are aware of the goals of the dislocated worker programs. We have provided services in all areas of the State of Minnesota from Duluth to Fairmont, from Red Wing to Marshall. We have served workers from upper management to beginning factory workers. Industries have included transportation, health care, telecommunications, warehouse, food processing, manufacturing, education and many more. Addendum A lists the projects we have delivered since 1986.

Funding: Our dislocated worker projects are funded primarily by the Minnesota Dislocated Worker Fund. Some projects are funded by U.S. Department of Labor funds that come through the State Department of Economic Security both as formula allocations and discretionary funds. In addition, we have contracts with several local Service Delivery Areas (SDA) including Hennepin County, City of Minneapolis, Dakota County, Southwest Area Private Industry Council, and Stearns-Benton Service Delivery Area to provide services in several of their plant specific projects.

Over the course of the years that we have been providing these services we have also received funding from several companies that have laid off workers. Some of the larger funding in this category has been \$50,000 from Quebecor Printing, \$50,000 from P.A. Bergner, approximately \$60,000 from the University of Minnesota, and well over \$1,000,000 from Procter and Gamble who is currently providing up to \$5,000 in training for each of their 200 dislocated workers.

However, probably the most unique funding situation we have in this arena comes from the Alliance. The Alliance is a joint labor management effort provided for AT&T workers. This is a "bargained-for" benefit between AT&T management and the Communications Workers of America (CWA). We have been providing dislocated worker services for these workers since 1988 when their restructuring began. The Alliance contracts with us to provide additional services for their at-risk workers. Since AT&T does not always know who is ultimately going to be terminated, it is difficult to provide pre-layoff services under EDWAA. The Alliance pays for those services until workers are actually identified as being targeted for dislocated. The Alliance also pays for some training plans when project dollars are insufficient to cover the entire training program. Over the course of the years, the Alliance has probably provided several hundred thousand dollars in funding for dislocated worker services.

Services: Addendum B is the menu of services we provide under our dislocated worker projects. Some of the unique services we provide include on site adult continuing education (ACE) classes that assist our dislocated workers with remedial skills,

preparation for returning to classroom activities, test taking strategies and a variety of individualized instruction modules designed around particular occupational goals. Our teaching staff work one-on-one with participants in achieving levels of reading, writing, and math skills that will ensure their success either in future training or on the job. When we first began to offer this service, area school districts supplied adult instructors free of charge to our program. Several years ago the school districts' budgets were reduced and these instructors were removed from all community programs. We had seen the benefit of having teachers on site to work in an environment comfortable for our participants, so rather than sending our participants out to a variety of locations for ACE, we hired our own instructors. This continues to be a very popular activity and most of the time we have between 40 and 75 participants attending ACE classes weekly. We offer these classes four half days a week.

Another unique service we have implemented is on-site computer training. Early on in our involvement with these programs we realized how important it was for our participants to have a successful first experience returning to a learning environment. Since most of the training we provide under dislocated worker programs is accessed at the vocational/technical institutes, we could not always ensure that success. Since it was also true that virtually any occupation our participants could choose for new employment would undoubtedly involve some level of computer knowledge, we decided we could both provide that initial introduction to computers and ensure a positive learning experience by establishing on-site computer training. We contracted with a local provider who established a 16 station computer lab in the Service Bureau. A self-paced learning system that included both instruction and unlimited, supervised lab time was instituted. Classes are offered in the mornings and evenings and open lab time is available in the afternoons seven days a week. This non-threatening, "user-friendly" learning environment has been a huge success for our participants and has often been the "jumping-off" place for those participants reluctant to go into the traditional classroom learning environment.

Our Job Development staff is also somewhat unique in their services. We sponsor two Job Fairs a year that bring employers together with our participants for initial interviews and information exchanges. Our most recent Job Fair was in June 22, 1994, and included some 34 employers who set up information tables, handed out applications, conducted mini-interviews, and provided important experience to our participants as they learn how to present themselves to potential employers. We are also one of the few dislocated worker programs in the state of Minnesota that provide On-the-Job-Training (OJT) opportunities for our participants. Our Job Development staff has designed an OJT contract that the Minnesota Department of Economic Security has adopted as a model. Many service providers are reluctant to handle OJTs because they require a great deal of oversight and staff involvement. For our participants, however, these OJT contracts

have often provided the only real opportunity they have to be trained. These are the participants whose family obligations are such that they cannot afford to take the time to attend vocational training even if the project is paying for tuition and related costs.

Another specialized aspect of our dislocated worker projects is our Immigrant Employment Program (IEP). When Honeywell, one of Minnesota's largest employers, began laying off workers we became aware of the large number of Asian dislocated workers who were in need of specialized services. We went to the Minnesota Council on Asian and Pacific Islanders and formed a partnership with them that has enabled us to hire bi-lingual, bi-cultural staff who work exclusively with our Asian dislocated workers. The Council, as its part of the partnership, has assisted us in locating dislocated Asian workers, building a trust level in the Asian community that encourages participation in our program, and assisted us with staff wide cultural diversity training.

When we took on a dislocated worker project at a local meat packing plant that had an entirely Hispanic workforce, we hired bi-lingual staff to provide the same level of services to this group. The Hispanic project was not as successful as the Asian project for a variety of reasons. Foremost, the Hispanic population was much more transitory. There was also a more pronounced skepticism from potential program participants that even the Hispanic social services network we worked with could not dissipate.

Partnerships: Many have already been alluded to in the foregoing discussion. In addition to the Alliance, the Council on Asian and Pacific Islanders, and various SDAs, we also have a partnership with a group called the Employers Association (EA). EA represents 1,350 employers in Minnesota and has just begun its efforts to provide dislocated worker services to its member companies. We have agreed to provide services to any employees of their member companies that do not fit EA's service population as they have defined it for themselves. Essentially, they plan to work exclusively with mid and upper management employees. They would send all others from affected companies to us. We expect to jointly offer services in plant closings and major layoffs.

Of course, a major partner for us in the dislocated worker area are the local Technical Colleges. St. Paul Technical College provides our on-site computer training. Northeast Metro Technical College does much of our customized training work but we have also done customized training with Hennepin Technical and Dakota Technical Colleges. Other training partners have included Project Blueprint, a division of WomenVenture which provides non-traditional training for women. Project Blueprint has been a partner with us in many endeavors, as I will discuss later.

Outcomes: We have served 4,623 dislocated workers from 57 companies since 1986. Initially our placement rates were about 92% (we even had a couple of early projects with 100% placement) of all enrolled participants. Wages averaged \$15.00 an hour back then. Currently we are serving 1,490 dislocated workers and placing approximately 80% in jobs that average \$10.74 per hour. Addendum

C list the types of placements our dislocated workers are getting. The drop in performance has nothing to do with the quality of the participants or the quality or applicability of the services we provide. It is simply that jobs are much harder to get now. We seem to be getting participants with less transferable skills which mean they must attend training longer and sometimes projects end before their training and placement is complete. In these instances, we still assist the participants with placement services, but the project results do not reflect those placements.

Problems: You have heard many of the problems already. There is not enough money, projects are not long enough to provide adequate training and placement services, more money needs to be directed to support services or needs based payments so participants can really go to training, health care needs must be addressed so families of dislocated workers do not have to gamble with their health. Those are the most common problems, but there are others. For instance, 1) workers comp clients: what can we do so that people who are on workers compensation when their plant closes or suffers a major layoff can still receive services under EDWAA? Currently, we cannot serve them because it is expected that if they need re-training, the workers comp insurer should be paying for it. 2) Trade Adjustment Assistance: when participants are eligible for Trade Adjustment Assistance (TAA) the dislocated worker project is expected to pick up the support services costs but not the training costs. Though that sounds like a rational thing, the reality is that a dislocated worker project can only spend 25% of its budget on support services. If everyone in the project is receiving training from TAA, the dislocated worker project budget (which must spend 50% of its funds on training) ends up getting reduced, therefore, fewer support service dollars are available. 3) Unemployment insurance regulations: when a dislocated worker project participant is in training he or she can still collect unemployment as long as training is in process. When summer comes and the vocational schools close that participant is expected to be actively seeking work even though he or she will not be available to work when school starts again in the fall. Interim employment is part of the solution, but it doesn't work for everyone. If a participant decides to take related training during the summer, questions are invariably raised regarding the legitimacy of such training and participants are accused of going to the training simply to avoid looking for work. 4) Placement restrictions: currently we are not allowed to count placements of participants who return to work for their former employer even if they are hired new with no seniority and in completely different jobs. Program providers cannot keep participants from being hired by their former employers once they have received new skills that the employer is hiring; nor can we refuse to provide specific training for some participants because we think they might go back to their former employer. 5) Underlying problem: we need to make all the re-employment programs work together--see recommendations at end of testimony.

WORKPLACE LITERACY

Funding: The U.S. Department of Education (DOE) has provided us with funding for three demonstration grants, one in the transportation industry, one in the hospital industry and one in the telecommunications industry. In addition, the Alliance (the AT&T and CWA training fund) has provided funding to deliver training that DOE would not cover in the grant currently operating in the telecommunications industry. We are now in negotiation with the Alliance to further expand the demonstration and provide this program to their work units in Chicago, up-State New York, and perhaps elsewhere through Alliance funding. This is certainly the best kind of outcome from a publicly funded demonstration project--continuation of services beyond grant funding.

Services: Addendum D illustrates the curriculum developed under the workplace literacy projects. These projects do have a relatively long start-up period. Task analysis must be done, workers must be interviewed to determine needs, input must be gathered from management and curriculum must be designed, reviewed, modified, tested and finalized. In the strictest sense of the word, services do not begin until the curriculum is actually tested and delivered in a training setting. However, the involvement of the workforce is necessary from the very beginning as they provide input to the development of the project. In that regard, services are being delivered from day one as workers learn to communicate in group settings and with individuals, learn how to work in committees and focus groups, and come to see their value as part of the overall structure of their work environment. All curriculum is designed for the specific workforce. Copies of all the curriculum identified in Addendum D are available from the Service Bureau.

Outcomes: It is a little more difficult to quantify outcomes in these projects since people are not changing jobs or necessarily being promoted as a direct result of these services. Evaluations do show that we have trained 260 people in the transportation industry who successfully achieved their commercial drivers license; 402 people in the hospital industry who now know how to mix chemicals safely and feel more comfortable in knowing how their job fits into the overall goals of the hospital; and, as of June 1994, 439 people in the telecommunications industry (this number is expected increase before the project ends) who are now better able to deal with their expanded job descriptions.

Problems: The U.S. Department of Education has been very responsive to the concerns raised by program providers. Much has changed since our first project and I suspect will continue to change. Still we have some problems in defining just what workplace literacy is and is not. The line the Department wants to draw between workplace literacy and skills training is very blurry and, actually moves quite frequently. For instance, in the telecommunications grant, DOE told us we could not provide any kind of computer literacy so the Alliance paid for the development and delivery of that training. However, in both previous grants, DOE had agreed that knowledge of computer functions were appropriate

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workplace literacy needs.

Other problems we have addressed with DOE concern the need for adequate time to design curriculum specific to the needs of the population to be served. The Department would like to see classes delivered within the first three months. It takes approximately six months to do task analysis, design curriculum, refine the curriculum and begin to deliver the training. Once this is accomplished, training can be delivered very quickly, but the start-up activities are a vitally important component and must not be condensed. This is the time in the project that all the stake holders develop ownership and commitment. Without that ownership the project has little hope of success.

DEFENSE CONVERSION

Funding: provided by U.S. Department of Labor through a joint effort with U.S. Departments of Defense, Education, and Human Services. Matching funds are provided primarily by the employer who pays for all tuition costs, and pays for time workers spend in training.

Services: this is somewhat a hybrid between dislocated workers and workplace literacy. This demonstration project allows us to provide skill training to at-risk workers at Alliant TechSystems, a defense contractor. Alliant's assemblers are at risk of losing their jobs due to defense contract cut-backs. Alliant, however, needs more machinists to do both the remaining defense contracts and any new manufacturing contracts they can bring in. This project allows us to train the assemblers to be machinists. Again, curriculum is custom designed for this workplace. Some of the training takes place at the work site, some of it takes place at the technical college. Peer tutors and job sharing have become an important function of this project as we try to find innovative ways to deliver training while not significantly impeding the production Alliant Tech needs to maintain. Adult continuing education is an important function of this grant as we provide remediation in reading, math and writing to prepare the participants for the machinists' training.

Partnerships: This partnership is particularly strong. St. Paul Technical College is providing the training, the employer and the union form the steering committee and workers are involved in every aspect of the development of the project.

Outcomes: The project is really too new to have documented outcomes yet. Our goal is to upgrade 209 assemblers and existing machinists to meet the new machinists' requirements at Alliant.

Problems: there have been significant problems in getting this project started. All of them have had to do with labor and management disagreements about how to identify workers to be trained, when to train them, and where. We are now past those issues but they were very difficult to overcome. Without the level of commitment that we have had from both the employer and the union to make sure this project succeeds, it would most certainly have been abandoned long ago and the money returned. Sensitivity about

these important start-up decisions must be heightened for future success. Funding agencies need to realize that these programs have drastic impact in the workplace and all stake holders need time to plan for and adjust to the implementation of these programs. In the case of Alliant TechSystems, a complete re-organization of the workforce was necessary in order to meet everyone's comfort needs before training could begin. That was a time consuming, frustrating process, but again, if we had tried to rush through this phase we would not have had any chance to succeed with this project's outcomes.

SKILLS FOR TOMORROW HIGH SCHOOL (STHS)

Addendum E includes an abstract of the STHS program. Students are recruited from local area high schools and are also self-referred. The curriculum is divided into four phases that include basic requirements for graduation but are also structured to facilitate movement into vocational careers. Phase One is geared to team building, assessment activities and discovering the environment. Phase Two includes service learning that requires the students to perform a community project and includes an international leadership training opportunity. Phase Three moves the students into more business and industry settings, and Phase Four is the transition period as students prepare to graduate and begin careers, further training or extended apprenticeships.

Funding: in Minnesota education funding follows the student, so much of our funding comes from the State. However, we also have a grant from the McKnight Foundation, a grant from the State Vocational Education Board, and both the Teamsters and the MN Business Partnership have made financial contributions. There have been other in-kind donations such as administrative assistance from the partners' organizations, a reduction in rent from St. Thomas University, and furnishings donated from Alliant TechSystems.

Services: this is a public high school that will meet all the State of Minnesota's requirements for high school graduation. As previously mentioned, STHS uses an applied curriculum that emphasizes leadership and team building. Students are taught language arts, social studies, math, and science. They have a wellness program that takes them to the YMCA, to the martial arts studio, and to wilderness experiences. Right now we have 17 students in Phase I. In August we will be enrolling 25 new students. This summer Phase I students all had paid employment arranged by the school and spent eleven days at an international leadership training program that the school paid for. As students pass through the Phases they will be increasingly more involved in the work community. It is expected that all students will have paid internships during their time at STHS.

Partnerships: partnerships are perhaps more important in this project than in any other. The unique partnership of the Teamsters and the MN Business Partnership is probably what will make this school successful. The Business Partnership has had a strong involvement with education initiatives under the direction of Tom

Triplett. That expertise coupled with the access to apprenticeship opportunities that they represent are important components to the school. The Teamsters involvement provides a link to organized labor and can address those concerns as they arise. In addition to the other founding partners (Rockford School District and the University of MN) our advisory council consists of representatives from both Minneapolis and St. Paul school districts, the State Board of Education, the minority communities, technical colleges, both Mayors offices and City Councils, the Building Trades, and a variety of others.

Outcomes: again, this project is too new to have many outcomes at this time. We have heard from parents that they have seen significant change in their student's attitudes and behavior since coming to STHS. The students will have to demonstrate competencies and are already building portfolios that will chronicle their passage through STHS. These will be very telling outcomes.

Problems: problems have come and gone during this start up phase. There was certainly resistance to the entire charter school concept by the traditional education community, but that has subsided as they have participated with us in STHS's creation. Other logistical problems have been resolved (e.g., transportation, location, lunches, school rules etc.) Again, some laws and regulations related to charter schools have been problematic. For instance, a law that says a charter school cannot do fund raising past its start-up phase could significantly curtail our ability to provide all the programming we want to. Since we are so small, the state funding simply does not stretch far enough to provide all of the things larger schools take for granted and we need the ability to fund raise in order to ensure that our students receive the full realm of opportunities afforded to all high school students.

OTHER EMPLOYMENT/WORKPLACE PROJECTS

The Service Bureau has been involved in a number of special projects to provide both non-traditional training and employment options for women, and to assist particular work groups with issues of abuse in the workplace. In partnership with Project Blueprint, a division of WomenVenture, we have trained a number of University of Minnesota female employees in occupations that had been predominately male, and that were potentially higher paying jobs than the housekeeping positions the women were holding. We implemented this same strategy at the Minneapolis Convention Center and further diversified that work group. The result of that diversification was some real tension and unrest. We began to address that through an abuse and neglect program that used focus groups and worker input to facilitate change.

Funding: funding for these kinds of programs has come exclusively from the employer and the union. In the case of the abuse and neglect project, a major portion of funding was received from the health care provider since it was perceived that this project could reduce the level of requests for payment of mental

health services.

Services: training and behavior modification techniques as identified in Addendum F.

Outcomes: both projects resulted in new employment opportunities for women. The University of Minnesota project was somewhat less successful because as soon as the women finished training, the University began laying off many of their mechanics and electricians--positions the women had been trained for. At the Convention Center the project is an ongoing process and early results have indicated a significantly increased capacity for communication among workers and supervisors as well as increased respect for each other and the roles they play.

Problems: as with any new idea, getting all stake holders to share the vision was difficult. It remains difficult to get top level "buy-in" for the Convention Center project from the City Council. Council members continue to be abusive to their staff and department heads and that trickles down to all levels. We continue to work to raise the level of awareness at all levels of city government.

RECOMMENDATIONS

If there is one thing I can tell you that needs to happen in order for programming like our to succeed, it is that partnerships must be forged. This means not only must publicly funded programs begin to merge their goals so that people who are served by these programs can put together a comprehensive plan for their future without tripping over excess regulations; but also that public sector funding agencies need to keep their funding channels open to private, non-profit agencies that can play an important role in service delivery.

You have heard from a number of sources that employment and training programs need to be consolidated into "one-stop shops" or "no-wrong door" agencies. Please, do not confuse that very legitimate recommendation with the elimination of public/private partnerships. If all dislocated worker services were to be consolidated under some government only agency, you will destroy the impetus of business and labor to combine resources and enhance service delivery.

We have discovered time and again in our projects that all stake holders need to have ownership in order for goals to be achieved. We believe we have carved out an important role for labor to play in the arena of employment and training. We believe we have brought business and industry into our projects in a meaningful way. Certainly many people look at the Teamsters Service Bureau as a strange "bedfellow" in many of the partnerships we have forged, but no one can argue with the success we have experienced in making positive change in the lives of the people we serve. Please do not cut us out of this role.

You have all sorts of experts who can tell you how the rules and regulations among the various employment and training programs need to be changed to facilitate service delivery. What I can tell

you is that the arena of employment and training needs as diversified as service delivery system as it can get. People need to be able to access services where they are comfortable, not where it is convenient for government to deliver them. Yes, definitely, we have duplication that can be minimized; yes, we have regulations that need to be changed to allow individuals to utilize the full scope of services available; but no, we do not need to sacrifice long term success for individuals to short-term efficiencies that do not serve the public good.

Thank you again for this opportunity. I wish to congratulate Chairman Peterson and all the committee members for your commitment to studying these very serious problems. The people of this country are very fortunate to have such caliber of elected representatives trouble shooting for them.

I would be glad to answer any questions you may have for me.

ADDENDUM A

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ORDER	PROJECT NAME	BEGIN/END DATES	ENDED	GRANT \$
1	MCLEAN TRUCKING		ENDED	50,300 00
2	MURPHY-C M TRANSPORT		ENDED	
3	MID AMERICA DAIRY		ENDED	35,840 00
4	CON-AGRA FAIRMG		ENDED	260,300 00
5	CONTINENTAL BAKING		ENDED	443,740 00
6	ASLESEN		ENDED	110,300 00
7	SWIFT ECKRICH		ENDED	275,300 00
8	AM FREIGHT-OUR OWN HOME-1		ENDED	
9	IDEAL SECURITY		ENDED	261,300 00
10	BERGNER PA		ENDED	184,400 00
11	CROWN AUTO-HOME BRAND FOO		ENDED	
12	COUNTRY LAKE FOODS		ENDED	5,300 00
13	ANK TRUCKING-SALKIN & LIN		ENDED	
14	A T & T MINNEAPOLIS	08/01/90-12/31/92	ENDED	532,705 00
15	UNITED HARDWARE	03/04/91-08/31/92	ENDED	232,871 00
16	SUPER VALU BAKERY	04/01/91-09/30/92	ENDED	179,239 00
17	HONEYWELL/ALLIANT TECH	08/01/90-12/31/92	ENDED	1,023,181 00
18	METROPOLITAN MT SINAI	08/01/91-12/31/93	ENDED	194,600 00
19	HOMEBRAND FOODS	08/01/91-01/31/93	ENDED	121,460 00
20	LULL MANUFACTURING	08/01/91 01/31/93	ENDED	472,500 00
21	JONES/GROSS/MIDWEST	09/01/91-08/31/93	ENDED	110,300 00
22	OUR OWN HARDWARE-2	11/01/91-09/30/93	ENDED	86,500 00
23	DAKOTA COUNTY FORUMLA			
24	UNIVERSITY OF MINNESOTA			
25	QUEBECOR-FEDERAL	01/02/92-06/30/93	ENDED	344,831 00
26	QUEBECOR-STATE	08/01/92-07/31/93	ENDED	200,000 00
27	SPANCRETE	02/01/92-03/31/93	ENDED	245,048 00
28	BEST PRODUCTS	04/01/92-09/30/93	ENDED	379,464 00
29	ALLIANT TECH START-UP	01/25/93-06/30/93	ENDED	60,300 00
30	ALLIANT TECH DEFENSE I	09/01/92-12/31/93	ENDED	215,224 00
31	ALLIANT TECH DEFENSE II	06/26/93-10/31/94		1,574,260 00
32	ALLIANT TECH STATE	11/19/93-04/30/94		94,581 00
33	GOLDEN VALLEY MEDICAL	07/01/92-03/31/94	ENDED	500 000 00
34	HENNEPIN COUNTY FEDERAL	07/01/92-06/30/93	ENDED	72,890 00
35	HENNEPIN COUNTY STATE	09/29/92-09/30/93	ENDED	67,758 00
36	METALCOTE GREASE AND OIL	07/01/92-12/31/93	ENDED	204,889 00
37	PINE VALLEY MEAT	08/25/92-08/31/93	ENDED	315,000 00
38	PICTSWEST	12/01/92-06/10/94	ENDED	82,393 00
39	A T & T ST CLOUD	11/01/92-10/31/94		311,101 00
40	STATE UNIVERSITY SYSTEM	06/01/92-06/30/93		
41	MULTI-UNION PROJECT	04/01/93-03/31/95		500,300 00
42	HONEYWELL	06/28/93-09/24/93	ENDED	30,300 00
43	HONEYWELL 53	07/01/93-06/30/95		1,609,808 00
44	DAHLBERG INC-E	10/11/93-01/11/94	ENDED	20,000 00
45	DAHLBERG INC	12/01/93-11/30/95		230,825 00

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ORDER	PROJECT NAME	BEGIN/END DATES	ENDED	GRANT \$
46	WASHINGTON SCIENTIFIC-E	09/09/93-12/08/93	ENDED	15,000.00
47	WASHINGTON SCIENTIFIC	11/01/93-10/31/95		272,000.00
48	FISHER HUT CO-E			
49	SEAGATE TECH	01/06/94-04/06/94	ENDED	25,000.00
50	P C HAYER CO-E	11/29/93-02/27/94	ENDED	15,000.00
51	FISHER HUT CO	03/01/94-02/28/95		593,706.00
52	SEAGATE TECHNOLOGY	03/01/94-02/28/95		172,242.00
53	A T & T MULTI-QUEST	03/17/94-06/15/94		20,000.00
54	HEALTHEAST-E	03/14/94-06/11/94	ENDED	30,000.00
55	HEALTHEAST	05/01/94-04/30/95		600,000.00
57	WORKER ADJUSTMENT PROJECT	07/01/94-06/30/96		350,000.00

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PROJECT NAME	ORDER	BEGIN/END DATES
A T & T MULTI-QUEST-2		06/01/94-05/31/95
DAKOTA 55 & OLDER		08/01/93-07/31/94
DEFENSE CONVERSION ACT		12/17/93-05/16/95
DIAMOND TOOL		
ERAG/NON-FINANCIAL		07/01/94-06/30/97

ADDENDUM B

DISLOCATED WORKER PROJECT

TEAMSTERS SERVICE BUREAU
3014 University Avenue S.E.
Minneapolis, MN 55414
(612) 331-2637

Services offered under the Dislocated Worker Project include:

ORIENTATION

At or near the time of lay-off, Service Bureau staff members will provide meetings to acquaint dislocated workers with the spectrum of services available to them through the Dislocated Worker Project as well as other community resources. When possible, a representative from Unemployment Insurance is at this meeting to provide information on UI and requirements. Participants can ask any questions they have about the program, and they can begin the paperwork needed to enroll.

CAREER PLANNING/VOCATIONAL COUNSELING

As part of the enrollment process, dislocated workers will attend one of the on-going Career Planning Workshops. These workshops are designed to assess career aptitudes, interests, and skills; and participants will receive individual assistance with employability development planning. Each participant will be working with a vocational counselor on a one-to-one basis throughout the entire program for help with career research, training authorizations, and job search assistance.

SEARCH

The purpose of SEARCH is to provide personal career exploration assistance for those who are unsure of their career goals or need help in finding information. Participants bring their questions or problems to vocational counselors who are available to work with them and suggest ways to find the answers. SEARCH is held every Friday morning from 8:00 AM to 1:00 PM at the Service Bureau. Appointments are not necessary.

JOB SEEKING SKILLS WORKSHOPS

The key to finding a good job is understanding the job search methods that work in today's economy. Job Seeking Skills Workshops are provided on how to target job goals, complete applications, prepare resumes and cover letters, use the telephone, and handle job interviews. Emphasis is placed on how to generate job leads through networking and information interviews. Participants can receive individual help with resume preparation.

ADULT CONTINUING EDUCATION

Individualized instruction is provided by our continuing education instructor Monday - Thursday afternoons at the Service Bureau. Participants can learn or improve reading, writing and math skills; improve study skills in preparation for a training program; or complete high school by preparing for and earning a GED.

VOCATIONAL TRAINING

The Dislocated Worker Project can pay for tuition, books, and supplies for an approved training course. Participants who need vocational training can develop training plans with their vocational counselor. Counselors help assess the need for training, assist in researching school programs and training options, and inform participants of the financial aid resources available if the training program extends beyond the project deadline.

CUSTOMIZED TRAINING

The program can sponsor vocational training specially designed to meet the specific needs of a group of dislocated workers. Such training is usually shorter in length and focuses on just those skills needed to enhance the participant's employability. Tuition, books, and supplies for this training are paid by the Dislocated Worker Project.

COMPUTER TRAINING

The Teamsters Service Bureau has an on-site computer lab and offers classes to participants. This training ranges from an introduction to computers to classes in DOS, WordPerfect, Lotus, Paradox and Windows. The classes are designed for people who have little or no computer experience, and they provide hands-on experience and individual assistance.

ON-THE-JOB TRAINING

The Dislocated Worker Project can reimburse employers for part of the participant's wages during a designated training period for a regular, full-time job. Job searchers can give potential employers a letter that explains this on-the-job training feature, which then can be contracted only through a vocational counselor.

JOB CLUB

Job Club is an informational and support network for all participants actively searching for employment. It meets every Thursday afternoon at the Service Bureau and includes information on topics related to the job search, guest speakers, interview practice, motivation, and a chance to share information and relate to others who are looking for work. Job Club is facilitated by the vocational counselors and all clients are encouraged to participate.

SUPPORT SERVICES

The Service Bureau provides information and referrals for personal, family, and financial problems as well as some payments for daycare and mileage expenses associated with participation in program activities.

CLINICAL SOCIAL WORKER VISITS

Individual or family appointments can be made with our consulting clinical social worker to help solve personal problems, talk about emotional issues, or in general deal with the concerns relating to job loss. Appointments can be made through a vocational counselor.

ACE

ADULT CONTINUING EDUCATION / SKILLS BRUSH UP

Brush up on your skills in a stress free setting. You set your own pace and work on materials that suit your needs and wants. No appointment is necessary. Here is just a sampling of what is offered:

Math ---

You can learn or review essential skills - fractions, decimals, and percents - or start right off with algebra and geometry. Find strategies for solving problems for the real worlds of home, work, and school.

Writing ---

Master your grammar, punctuation, spelling, and sentence structure while writing effective letters, memos, and reports; or discover your creative side through keeping a journal.

Study Skills ---

Learn to read textbooks, take notes, understand vocabulary and prepare for employment and academic testing.

GED Preparation ---

If you did not finish high school, take time now to prepare for the GED, a high school equivalency certificate.

The Place: Teamsters Service Bureau
3014 University Avenue S.E.
Minneapolis, MN 55414 Phone: 331-2637

The Time: Monday, Tuesday, Wednesday & Thursday
1:00 - 3:30 P.M.
Instructor: Rosemary

PLEASE NOTE THAT ACE WILL NOT BE HELD ON FRIDAY AFTERNOONS.

If you have any questions, call Rosemary at 331-2637.

**There May be No Tomorrow for a Worker
Without These Basic Skills**

1. **Learning to learn** Know how to learn effectively, no matter when or what the learning situation.
2. **Reading** Improve reading comprehension; most workers spend up to two hours each day reading forms, charts, graphs, manuals and computer screens, experts estimate
3. **Writing** Practice writing. Writing is often the primary means of communicating policies, procedures and concepts; the initial contact with newcomers or machines, and the first step in teaching new ideas.
4. **Computing** Strengthen math skills, needed when working with inventories, reports and measurements.
5. **Listening** Pay attention to the chief concerns of customers, suppliers and co-workers. You need to know how to listen for content, which includes understanding context, emotional meanings and specific directions.
6. **Speaking** Respond appropriately to concerns of customers, suppliers and co-workers, with appropriate voice inflections and body language.
7. **Solving problems** Think on your feet. This includes recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results.
8. **Thinking creatively** Come up with innovative solutions. Escape from sequential thought patterns and find connections between seemingly unrelated ideas.
9. **Setting goals and staying motivated** Know how to get things done. This includes establishing and achieving objectives and recognizing successes along the way.
10. **Cultivating Self-esteem** Take pride and believe in your potential. Key elements include recognizing current skills; being aware of your impact on others; knowing how to cope with stress, change and criticism, and understanding how to get beyond self-imposed limits.
11. **Fostering interpersonal relations** Get along with customers, suppliers and co-workers. Know how to judge and balance appropriate behavior, cope with undesirable behavior, absorb stress and deal with ambiguity.
12. **Developing personal and career skills** Know what's needed to perform well in the workplace.
13. **Promoting teamwork** Work with others to achieve a goal. Team members need to understand various personalities and group dynamics.
14. **Negotiating** Know how to build consensus through give and take, how to separate personalities from the problem, how to focus on interests, not positions; how to invent options for mutual gain, and how to insist on objective criteria.
15. **Understanding your organization** Know where your company or organization is headed and how you can contribute. This requires an understanding of the company's culture, its goals, values, and traditional modes of operation.
16. **Leadership** Assume responsibility and learn how to motivate co-workers when necessary.

-Economic Development Group, Des Moines Area Community College
1989

ADDENDUM C

Job Placements in Current Projects

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PLACED	EMPLOYER	JOB TITLE
	LAYOFF 1/22/94	
	LAYOFF 2/1/94	
12/12/91		UNKNOWN
3/01/92	U-M WEST BANK	CUSTODIAN
6/15/92	FARMER'S INSURANCE GROUP	INSURANCE AGENT
11/09/92	MAY PRINTING	CUSTOMER SERVICE
12/14/92	BANKERS SYSTEMS	SOFTWARE TRNR
12/21/92	PRIMVEST FINANCIAL SERV	DIVIDENDS CLERK
1/05/93	PRIMVEST FINANCIAL SERV	CUSTOMER REP
1/09/93	THE LITURGICAL PRESS	CUST SERVICE
1/30/93	SANOFI DIAGNOSTICS PASTEU	PRODUCTION
2/01/93	ST BENEDICTS CENTER	RECEPTIONIST
2/08/93	US CELLULAR	BILLING CLERK
2/15/93	HALL BYERS HANSON LAW FIR	LEGAL SECRETARY
3/22/93	VA MEDICAL CENTER	MEDICAL CLERK
3/31/93	FINGERHUT	CUSTOMER SERVICE
5/03/93	DEZURIK	ACCOUNTS PAYABLE
5/24/93	MAY PRINTING	CUSTOMER SERVICE
7/01/93	WILD RIVER ELECTRIC	ELECTRICIAN APPRENTIC
7/15/93	LIBERTY CHECK	BINDERY SPECIAL
7/27/93	FEDERAL CARTRIDGE COMPANY	PRIMER INSERT
7/29/93	STEARNS COUNTY	CHILD SUPPORT
8/06/93	FLATLEY TECHNICAL	PAYROLL CLERK
8/09/93	BANKERS SYSTEMS	SECRETARY
8/16/93	AT&T	SENIOR CLERK
8/16/93	MAY PRINTING	CUSTOMER SERVICE
8/16/93	OPTICAL SENSORS	ASSEMBLER
8/21/93	SUPERPOWER	MANUFACTURING TECH
8/25/93	MN JOB SERVICE	CLERK TYPIST 2
8/31/93	BERNICKS PEPSI	TELESALES REP
9/01/93	BALDINGER BAKER	MACHINE REPAIR
9/01/93	CARDIAC PACEMAKER	ASSEMBLER
9/01/93	SCHOOL DISTRICT 742	ASSESSMENT TECH
9/01/93	SEARS MORTGAGE CORP	LOAN OFFICER
9/07/93	CARE CALL INC	MANAGEMENT COORDINAT
9/13/93	STATE FARM INSURANCE CO	OFFICE ADMINISTRATOR
9/14/93	OPTICAL SENSORS	ASSEMBLER
9/21/93	VA MEDICAL CENTER	FOOD SERVICE WORKER
9/22/93	US POSTAL SERVICE	CLERK/MAIL SORTER
9/25/93	CYPRESS SEMI CONDUCTORS	ASSEMBLY
9/27/93	ACHIEVEMENT REHABILITATIO	PHYSICAL THER ASST
9/27/93	PLASTIC PRODUCTS	DATA ENTRY
9/30/93	BOB BEHRENDT REALTY	REALTOR
10/11/93	MUELLER MULTIFOODS INC	TELESALES REP
10/11/93	TIRES PLUS	MECHANIC

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PLACED	EMPLOYER	JOB TITLE
10/28/93	ASSOCIATED WOOD PRODUCTS	CABINET MAKER
10/28/93	STREAM FEEDER	ASSEMBLER
11/01/93	ECOWATER SYSTEM	PRODUCTION
11/01/93	ION ELECTRONICS	ASSEMBLER
11/02/93	ADVANCE CIRCUITS	ASSEMBLER
11/02/93	COMMUNICATION ENGINEERING	INSTALLS NETWORK
11/02/93	RUPP INDUSTRIES	PRODUCTION
11/02/93	ST CLOUD EAR NOSE & THROA	MEDICAL CLERK
11/03/93	ED TECH-CONNECTING POINT	CLERICAL
11/04/93	KOEHLE & DRAMM INC	FLORIST
11/10/93	ST BENEDICTS CENTER	RECEPTIONIST
11/14/93	HENNEPIN JUVENILE CORRECT	INVENTORY CLERK
11/15/93	ADVANCE CIRCUITS	FINAL PROCESS OPR
11/15/93	MINNESOTA ZOO	ADMISSIONS
11/15/93	TORO COMPANY	MFG ENGINEER
11/17/93	ADVANTEK INC	MACHINE OPERATOR
11/24/93	STE JUNS COUNTY	FINANCIAL WORKER
11/28/93	DANA MFGD MPLS CORP	CNC MACHINE OPERATOR
11/29/93	SUPER VALU	SANITATION
12/01/93	BRITE WATER SERVICE CO	EQUIPMENT INSTALLER
12/01/93	MISSISSIPPI VIEW FARM	GENERAL FARMHAND
12/06/93	SUPERIOR ENGINEERING	DIE DESIGNER
12/11/93	BIG BROTHERS BIG SISTERS	EXECUTIVE SECRETARY
12/15/93	MENTOR UROLOGY CORP	ASSEMBLER
12/20/93	HALBRIDGE CORP MALL OF AM	CLERICAL
12/20/93	HIGH TECH AUTO BODY	AUTO MECHANIC
12/22/93	LOGIS INFORMATION SYSTEMS	COMPUTER OPERATOR
12/22/93	NORTHERN TECHNOLOGY CENTE	ASSEMBLER
1/01/94	IVANS IN THE PARK	OWNER-PRESIDENT
1/02/94	DELUXE CHECK PRINTERS INC	CAFETERIA WORKER
1/03/94	3M CHEMOLITE	TEST TECHNICIAN
1/03/94	ABBOTT NORTHWESTERN HOSP	NURSING ASSISTANT
1/03/94	FROST PAINT & OIL CORP	ASSISTANT PAINTMAKER
1/03/94	NW RACQUET SWIM & HEALTH	RESERVATION CLERK
1/03/94	RUPP INDUSTRIES	PRODUCTION
1/03/94	ST CLOUD HOSPITAL	COLLECTION SPECIALIS
1/03/94	ST PAUL PUBLIC HEALTH CTR	HEALTH ED ASSISTANT
1/04/94	FAIRVIEW RIVERSIDE MEDICA	HOUSEKEEPING/KIT ASST
1/04/94	SELF-EMPLOYED	HORSE TENDER
1/10/94	FLEX COMPENSATION	PERSONNEL CLERK
1/10/94	GO MIDWEST SPORTS	GENERAL CLERK
1/10/94	SELF-EMPLOYED	CLEANING
1/10/94	STANDARD IRON COMPANY	ACCOUNT MANAGER
1/11/94	AVTEC FINISHING SYSTEMS	PRODUCTION WORKER
1/12/94	COMO MACHINE INC	APPLICATION ENGINEER
1/15/94	CARLSON COMPANIES	MAIL ROOM OPERATOR

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PLACED	EMPLOYER	JOB TITLE
1/15/94	DATA SCIENCES	ASSEMBLER
1/17/94	KELLEMEYER BLDG SERVICES	JANITOR
1/20/94	HIGHLAND VILLAGE APTS	MAINTENANCE
1/20/94	PERCEPTIVE ENGINEERING	TOOL & DIE MAKER
1/24/94	AMERIDATA	INVENTORY CONTROL
1/24/94	BOB BEHRENDT REALTY	REALTOR
1/24/94	VOGTS FOOD MARKET	MEAT PREPARER
1/25/94	ADIA	ELEC ASSEMBLY
1/28/94	INDUSTRIAL TOOL	DESIGN ENGINEER
1/31/94	TORO COMPANY	MACHINE OPERATOR
2/01/94	OFFICE MAX	CUST SER SUPERVISOR
2/03/94	CARLSON COMPANIES INC	SECRETARY
2/07/94	COMPUTER SYSTEM PRODUCTS	ASSEMBLER
2/07/94	US DISTILLED PRODUCTS	MACHINE OPERATOR
2/08/94	ST CLOUD HOSPITAL	BIRTH CENTER SUPPORT
2/11/94	SERVICE MASTER	OPERATING MANAGER
2/14/94	QUALITONE CO	SHELL TECH
2/14/94	QUALITONE INC	CASER HEARING AID
2/14/94	QUALITONE INC	LAB TECH
2/14/94	SCIMED LIFE SYSTEM	ASSEMBLER
2/14/94	ZERCOM CORPORATION	MFG MANAGER
2/15/94	SELF-EMPLOYED RESTAURANT	COOK
2/17/94	QUALITY ASSURED LABEL	REWINDER OPERATOR
2/17/94	TENSION ENVELOPE	MACHINE OPERATOR
2/21/94	DAIG CORPORATION	MACHINE OPERATOR
2/21/94	EVEREST MEDICAL GROUP	RECEPTIONIST
2/21/94	IDENTIFICATION SERVICES	MONOGRAMMER
2/22/94	ADVANCE CIRCUITS	ASSEMBLER
2/22/94	APOLLO PIPING SUPPLY CO	DRIVER
2/22/94	VETERANS ADMINISTRATION	LPN
2/24/94	BEMIS PACKAGING	MACHINE OPERATOR
2/26/94	LIFETOUCH NATL SCHOOL	MAINTENANCE
2/28/94	CIRCUIT SCIENCE INC	ASSEMBLER
2/28/94	COMPONENT ENGINEERING	MACHINIST
2/28/94	GENESIS LABS INC	MFG SPECIALIST
2/28/94	MACALASTER COLLEGE	JANITOR
3/01/94	ADVANCE CIRCUITS INC	ASSEMBLER
3/01/94	METHODIST HOSPITAL	TRANSCRIBER
3/01/94	PROTEIN DESIGN LABS	MAINTENANCE
3/03/94	D C SALES CO INC	COST APPLICATIONS
3/07/94	MISSION FARMS NURSING HM	NURSING ASSISTANT
3/08/94	FINGERHUT	CUSTOMER SERVICE
3/08/94	RICHARD MANUFACTURING CO	MECH ASSEMBLER
3/08/94	TORO	FORKLIFT OPERATOR
3/09/94	GRESEN DANA CORP	MACHINE OPERATOR
3/09/94	MAY PRINTING	DATA ENTRY

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PLACED	EMPLOYER	JOB TITLE
3/14/94	C-TECH SYSTEMS	SHIPPER
3/14/94	EATON CORPORATION	MACHINE OPERATOR
3/14/94	HOLIDAY CIRCUITS INC	PCB ASSEMBLER
3/14/94	QUALITONE INC	LAB TECH
3/14/94	RUPP INDUSTRIES	ASSEMBLER
3/15/94	JOYERS ELECTROPLATING	ASSEMBLER
3/16/94	UA THEATRES	TICKETER
3/17/94	DELTA ENVIRONMENTAL	ADMIN ASST CLERK
3/18/94	ADVANCED CIRCUITS	MACHINIST
3/21/94	LEE STAMPING INC	PUNCH PRESS OPERATOR
3/21/94	METACOM	RECEIVING
3/21/94	MINNESOTA RUBBER COMPANY	MOLDER HELPER
3/21/94	VET ADM HOSPITAL	NURSE ASST
3/22/94	CTS FABRI TECH	ASSEMBLER
3/22/94	G & K SERVICES	ROUTE/SORTING
3/22/94	G N NETCOM	ASSEMBLER
3/24/94	GOLDEN EYE PRODUCTS INC	PRODUCTION WORKER
3/27/94	DANA CORPORATION	MACHINE OPERATOR
3/27/94	MINNESOTA RUBBER	WAREHOUSE
3/28/94	JUNO TOOL & PLASTIC	QA TECH
3/28/94	STATE OF MN DEPT ADMINIST	TRADES REF MECHANIC
4/01/94	BEACHFRONT	WAITRESS
4/01/94	JAPS OLSON COMPANY	MACHINE OPERATOR
4/04/94	EATON CORPORATION	MACHINE OPERATOR
4/04/94	STAR TRIBUNE	ASST AREA MANAGER
4/05/94	EDEN ELECTRONICS	ASSEMBLER
4/07/94	SCHIMED LIFE SYSTEM	PRODUCTION ASSEMBLER
4/11/94	ADVANCE FLEX	INSPECTION
4/11/94	ARGOUSY ELECTRONIC	HEARING AID BUFFER
4/11/94	DANA CORPORATION	MACHINE OPERATOR
4/11/94	WILLIAMS STEEL & HEWE CO	PRESS BRAKE OPERATOR
4/12/94	HOLMBERG COMPANY	ASSEMBLY
4/12/94	PRIMEVEST FINANCIAL	DIVIDEND CLERK
4/13/94	DANA CORPORATION	MACHINIST
4/13/94	MINNESOTA RUBBER	MACHINE OPERATOR
4/13/94	MINNESOTA RUBBER COMPANY	ASSEMBLER
4/14/94	MINNESOTA RUBBER COMPANY	MOLDER HELPER
4/14/94	OSMONICS INC	WELDER HELPER
4/14/94	TRO MACHINE	ENGINEER
4/18/94	ADVANTEK INC	PRODUCTION WORKER
4/18/94	IMAGE BUILDERS	ACCT REC RECEPTIONIS
4/18/94	ST THERESE CARE CENTER	CNA
4/19/94	COMPUTER NETWORK TECH	INSPECTOR
4/20/94	EATON	MACHINE OPERATOR
4/20/94	ECOWATER SYSTEMS	PRODUCTION ASSEMBLER
4/21/94	ECOWATER SYSTEM	ASSEMBLER

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Standard Report

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PLACED	EMPLOYER	JOB TITLE
4/21/94	ECOWATER SYSTEMS	PRODUCTION ASST
4/21/94	ECOWATER SYSTEMS	ASSEMBLER
4/21/94	COMPUTER NETWORK TECH	PRODUCTION
4/25/94	ECOWATER SYSTEMS	PRODUCTION ASSISTANT
4/25/94	STARKEY LABORATORIES INC	HEARING AID ASS
4/26/94	REXTON CORPORATION	SHELL LAB TECH
4/28/94	PRAIRIE LABORATORY	HEARING AID ASST
4/29/94	OTS FABRI TECH	ASSEMBLER
5/01/94	CIRCUIT SCIENCE	ASSEMBLER
5/01/94	SELF EMPLOYED	LANDSCAPER
5/01/94	TETRONICS INC	QUALITY INSPECTOR
5/09/94	DANA CORPORATION	MACHINE OPERATOR
5/09/94	METAL MASTER INC	MACHINE OPERATOR
5/09/94	UNITED HEALTH CARE CORP	CARRIER
5/10/94	COMPONENT ENGINEERING	CNC MACHINIST
5/10/94	CREATIVE BARBERS	MACHINE OPERATOR
5/10/94	FORMAC CORPORATION	GENERAL FOREMAN
5/11/94	CONTINENTAL MACHINES	STOCKROOM
5/13/94	ANGELS ON PAIN	GROUP FACILITATOR
5/22/94	ADVANCED MACHINES	MACHINE OPERATOR
5/25/94	LANDSCAPE STRUCTURES	SHIPPING CLERK
5/25/94	R L TOOL	CNC MACHINIST
5/25/94	TYCON LIMITED	ASSEMBLER
5/26/94	TEGROC METALS	PACKER
5/26/94	MW	CNC MACHINIST
5/27/94	STAFF PLUS	SECRETARY
5/29/94	AMERICAN PACIFIC MARKETING	ASSEMBLY
6/01/94	INTEGRATED HOME CARE	RM
6/01/94	JEFFERSON CENTER	ACCOUNTANT
6/01/94	MN CORRECTION FACILITY	DATA ENTRY OPERATOR
6/02/94	CENTRAL MN ECU	RECEPTIONIST
6/02/94	DANA CORPORATION	MACHINE OPERATOR
6/02/94	MINN CITY MEDICAL CENTER	CARPENTER
6/09/94	AMERICAN AUTO PARTS	WAREHOUSE WORKER
6/13/94	ROSEVILLE SCHOOL DIST 423	BLDG MAINTENANCE
6/14/94	QUALITY ASSURED LABELS	FEMING OPERATOR
6/23/94	CORDMAN CO	GRAPHIC ARTS TECH
6/24/94	TRU MACHINE	
6/25/94	AMERICAN RED CROSS	SURGICAL TECH
6/25/94	SWANSON & YOUNGDALE	PAINTER
6/27/94	KATCH CORPORATION	ASSEMBLER
6/29/94	AVECOR CARDIOVASCULAR	ASSEMBLER
6/29/94	AVECOR CARDIOVASCULAR	JANITOR
6/30/94	AMERICAN PROTECTIVE SERV	SECURITY OFFICER
7/06/94	KULSETTI	WAREHOUSE
7/20/94	DICTON BUSINESS CENTER	COMPUTER SPECIALIST

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MN TRUCKING WORKPLACE LITERACY PROJECT

- A. Enrollees Trained - 260
- B. Courses Offered -
 - 1. Using Trucking Language
 - 2. Writing for Trucking
 - 3. Managing Paperwork
 - 4. Your Commercial Drivers License
 - 5. Calculator Math
 - 6. Computers

**MN HOSPITAL INDUSTRY
WORKPLACE LITERACY PROJECT**

A. Enrollees Trained - 402

B. Courses Offered -

1. Working With Others
2. Writing That Works
3. Measuring For Success
4. Reading On The Job
5. Getting Computer Comfortable
6. Understanding Where You Work

MN TELECOMMUNICATIONS INDUSTRY WORKPLACE LITERACY PROJECT

A. Enrollees Trained - 439

B. Courses Offered -

1. Connecting With Others
2. Coping With Stress
3. Relating to Customers
4. Managing Time
5. Writing With Results

ADDENDUM E

ABSTRACT

**Skills for Tomorrow High School
Facilitating the School-to-Work Transition through Youth Apprenticeship Learning**

Currently, 75% of the jobs in the United States do not require a four-year college education. Most of these are good jobs, with career potential. Today, we assess the effectiveness of our schools by the numbers of students who go on to college and university programs. The fact remains, however, that approximately half of Minnesota's high school graduates do not enroll in two-year or four-year colleges or university programs, and 50% of those who do enroll fail to graduate from these institutions of higher education. Despite the understanding that many of our high-school youth are not college bound, we continue to de-emphasize the importance of a vocationally-oriented curriculum in preparing our youth for tomorrow's workforce.

It is our belief that youth apprenticeship and other work-based learning alternatives can effectively close the current gap between education and the workplace. Youth apprenticeship aims to prepare young people for productive careers by integrating basic academic knowledge with technical skills and acclimating students to appropriate work-site behavior. Youth apprenticeship modifies the conventional assumptions about education by emphasizing a "learning by doing" approach. Students take direct responsibility for their own education, because their learning is performance-based. Employers, in turn, assume a more active role and responsibility for the design of curricula and assisting students in the development of skills needed in the workplace.

The Skills for Tomorrow High School is interested in securing funds from two special grant programs offered through the Minnesota State Board of Technical Colleges. These include funds available under the JTPA-Education Coordination Fund (8%) and the Community-Based Organizations Funds. The purpose of submitting these applications is to request funds to address the academic and vocational needs of economically disadvantaged secondary students residing within the Twin Cities Metropolitan area. We firmly believe that the integration of academic learning, coupled with youth apprenticeships and other work-based learning strategies, will afford economically disadvantaged students the best possible opportunities to become productive workers and community members. This will also contribute to improved graduation rates, entry into postsecondary education, and improve skills necessary for successful workforce participation.

In conducting these special demonstration projects, the Skills for Tomorrow High School will emphasize the following program design features:

- (1) Creating partnerships with parents and families, businesses, industries, labor organizations, postsecondary educational and training programs, and community-based organizations to diversify learning settings, improve learning effectiveness, and provide meaningful school-to-work and postsecondary education transition planning.
- (2) Guaranteeing a set of quantifiable learner outcomes, linked to the student's future work and family needs.
- (3) Assessing individual and student needs and setting learning expectations which include both knowing and applying learning in work and real-life situations.

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- (4) Emphasizing multiple ways to learn that are responsive to individual learning styles and interests.
- (5) Integrating high-level academic education and vocational education, work-based learning, and youth apprenticeship practices for all students in the high school curriculum.
- (6) Operating as a learning community that emphasizes cooperative learning, team instruction, employer assistance, and active student engagement in learning.

The Skills for Tomorrow High School proposes to incorporate these principles into the development of a multi-faceted, comprehensive high school program, with extensive collaboration and participation with the St. Paul Technical College, labor organizations (e.g., Minnesota Teamsters Service Bureau), the Minnesota Business Partnership, individual businesses, the College of Education at the University of Minnesota, and Twin Cities-based schools. The School will also collaborate extensively with a wide range of community-based organizations and agencies, families, and students in the development and implementation of these special demonstration projects.

PROJECT STEP-UP

Project Step-Up is a joint effort between the University of Minnesota and Teamster Local 320 to prepare women within the Teamster bargaining unit for employment in non-traditional, higher paying jobs. The project has been coordinated by WOMEN VENTURE (formerly Chart/WEDCO), a national leader in providing programming in the area of women and employment.

Sixteen women have participated in the project which included the following components:

- **Informational Meetings** that addressed the project's scope and goals, information on non-traditional employment and tools needed to get a better job.
- **Screening Sessions** where a variety of screening instruments were administered to participants to assess their skills and aptitudes, manual dexterity and physical ability, spatial relations and mechanical reasoning.
- **Personal Effectiveness Training** designed to assist the participants prepare for employment in non-traditional jobs and that addressed empowerment and self esteem issues, goal setting, assertiveness and techniques for dealing with discrimination and sexual harassment.
- **Skills Training** designed to prepare the participants to meet the specific job requirements for general mechanic and that addressed topics such as safe and proper use of hand and power tools, lubrication and filters, blueprint reading, electric motors, and heating, ventilation and air conditioning (HVAC) systems.
- **On the Job Training** that gave the participants hands-on experience in plumbing, carpentry, lock repair, fire alarm systems and all facets of HVAC.
- **Support Group Session** were held throughout the project to provide the participants with opportunities to discuss issues relevant to the project, handle day to day situations and gain personal support during their training for jobs in non-traditional occupations.

City of Minneapolis

Involvement and Leadership in the Work and Home Environment Project

The **MISSION** of the Work and Home Environment Project is to identify, create, promote, maintain, and nurture a healthy work environment by identifying and changing abusive and neglectful behaviors that interfere with the individual's opportunity to contribute their maximum effectiveness and efficiency. See attached summary

Background on the consulting firm

Respond 2, Inc., a consulting firm, works with management and labor to assess, change, and reinvent the way people relate to each other in the workplace. Respond 2, Inc. measures relationships in organizations. Relationships form an organization's culture and standards of behavior. People in organizations learn, change, grow, and work through their relationships. Relationships are measurable. Abusive and neglectful behaviors damage and destroy relationships.

Abuse and neglect in the workplace have been shown to result in loss of morale and creativity, productivity and service. Abusive and neglectful relationships cause stress, fear, distrust, burnout, absenteeism, lawsuits, grievances, and medical problems.

Improving relationships will reduce abuse in the workplace, and, at the same time, improve performance and service. Whether it is Deming's quality, or empowerment, one minute management, re-engineering, the learning organization, searching for excellence, driving out fear, managing diversity, TQM, CQI, flattening the organization, shifting the paradigm ...whatever... relationships are the vehicle.

Methods

Respond 2, Inc. measures relationships by using a confidential survey which is filled out by employees. The survey has been used in over 30 health care, government, businesses and universities. The survey instrument is a reliable and valid method of measuring relationships and has been reported to be the state of the art in this type of measurement (*Journal of American Medical Association*, March 1992).

The survey measures: what kinds of behaviors employees perceive as abusive and neglectful; who they perceive to be abusive; what abusive and neglectful relationships do to the functioning of the organization; how much they believe their place of work should be involved; where they would get help; and what keeps them from speaking up. Using the survey results as a "road map", employee teams utilize a process that has been developed to engage both labor and management in identifying and implementing change.

It is through the collective process of naming abusive and neglectful behaviors that employees are empowered to improve the way people relate to each other. When employees

are able to collectively see and change abusive and neglectful behaviors the organizational environment is healthier, safer, and more productive.

Employees want their workplace involved. In the City of Minneapolis, *100% of the elected officials, department heads, and union representatives responding to the survey said the City should be involved in addressing abuse and neglect in the workplace (April 1994, Riverwood Retreat)*. All groups Respond 2, Inc. has surveyed, except for elected officials, say they perceive more abuse, daily, at work than at home.

Implementation

The first step is to create a team of about 15 people, which should represent the diversity that is present in a City Department.. frontline, secretaries, management, union representatives, race and age diversity, and others who may be helpful, such as, employee assistance providers. The team members select a chair person, or co-chairs, write a problem statement, mission, and goals. This is then communicated to the full Department for their input and support. The team generally meets twice a month, for one to two hours. After the project gets going, teams generally meet once a month, for a year.

The chairs of the Department team will also benefit from sitting on the Work and Home Environment Steering Committee. This will help them see what other departments in the City are doing to promote an abuse-free workplace, and to improve the quality of work, and work life.

The second step in the process is to survey the Department staff. The survey measures standards of behavior, prevalence of abuse, perceived impact of abuse, desired level of involvement, and what can be done to create good working relationships. The survey is also educational because employees begin to think about behaviors/relationships that produce stress/distrust, and behaviors/relationships that promote productivity and health.

The third step is for the team to design intervention strategies which are based on the survey findings and the needs of all working in the Department. Examples of employee designed interventions are: educational programs and materials, training, newsletters which promote quality of work life, revised policies/procedures, role plays, employee support programs for those with work or home problems.

The fourth step is measuring the outcomes of the team's work. Measurement questions generally include: have working relationships improved, are relationship problems identified early, do people feel better about going to work, are more employees involved in creating a better work place, have services improved? Other measures of success could include reduced absenteeism/sick time usage, fewer grievances and better productivity.

The consultants facilitates the steps. Over time, team members become the consultants, taking over leadership and developing the expertise needed to sustain the changes and promote an environment that is respectful, trusting, safe, and productive.

Mr. PETERSON. This report you have on this in your testimony appendix—addendum A—these amounts of moneys, these grants, where are they from?

Ms. DUNN. They are from either the State of Minnesota Dislocated Worker Fund or State EDWAA dollars.

Mr. PETERSON. So it is mostly State money.

Ms. DUNN. This is all the public dollars. I didn't report on the private dollars.

Mr. PETERSON. There are private dollars that are matched with this then?

Ms. DUNN. Yes, and they are alluded to in the written testimony—in the body of the written testimony.

Mr. PETERSON. Ms. Sale, GATEWAY you say is not State run or State funded. How does a community GATEWAY get organized?

Ms. SALE. A local partnership is formed at the local level, and, generally, there are a number of different folks who sit on that. In most cases, there may be a representative from the community college. There generally is, if there is a community college in that locality. There are 21 GATEWAY programs at this point.

Mr. PETERSON. Does that cover the whole State?

Ms. SALE. No, it does not, but it is rapidly doing so.

Mr. PETERSON. But you don't mandate this. This is kind of a—

Ms. SALE. No, it does not. The communities themselves decide that they would like to do this, and we—they really do cover the whole spectrum of the State. You know, New York is very, very diverse, and it covers both Niagara County and the Bronx and Mr. McHugh's district in the north country. It really does cover a lot of different kinds of populations.

Mr. PETERSON. Do you have conflicts? I know you are trying to be flexible. Do you have conflicts between the local, State, and Federal laws?

Ms. SALE. Yes. I used to work at this level as well, and, in fact, I worked for a Minnesotan, Vice President Mondale. And one of the things that I felt when I was at this level was that people at the Federal level who administer programs of this sort ought to rotate out and have to work at a local program three months out of their 3 years or something of that sort.

Because I think what happens at every level of government is when we are writing laws, when we are writing regulations, we are really—what we are trying to do is help the person at the bottom of the chain, the client. And we tend as a legislature or as an executive writing laws—and this is true at the State level as well—to try to write things very narrowly because what we would really like to be doing is running the service. But we can't run the service from this level. We run the service at their level, the Teamsters level.

We think if we write the law narrowly enough or regulation narrowly enough then the service provider would have to do exactly what we want them to do. That's just unrealistic.

So those kinds of barriers are always problems. They create conflicts for us. We have to try to remove those barriers at the State level to the extent we can. We have to try to juggle the Federal hoops and try to get them into congruence so that local program providers can provide a service. And that's very difficult, and it

does create some conflicts, but we have committed ourselves to trying to resolve those conflicts.

Mr. PETERSON. Ms. Dunn, if another State or an area or city—Minneapolis-St. Paul—wanted to develop a program like yours, what would be the office or organization that would be best to initiate other than the Teamsters? Can other groups do this?

Ms. DUNN. Nobody better than the Teamsters.

Mr. PETERSON. I put it wrong. I didn't mean that.

Ms. DUNN. I had to take advantage of that.

Mr. PETERSON. But if it wasn't the Teamsters, what other could you envision—who else could do what you are doing?

Ms. DUNN. I think that there are a number of private, nonprofit organizations and agencies who would be in a similar position to begin such kinds of programming.

The one codicil to that is that all the programs we are involved in are on, by and large, a reimbursement basis so whatever organization wishes to get involved would need to understand that there is some up-front costs to that organization.

The Teamsters have reached into their resources to begin the Teamster Service Bureau in order for us to facilitate accessing all of the public dollars that we are able to. So I think there are a number of agencies that are probably poised.

Mr. PETERSON. But they have to have some up-front money to kind of fund this before they get going.

Ms. DUNN. That's right.

Mr. PETERSON. Mr. McHugh, do you have questions?

Mr. MCHUGH. Really more of a comment, Mr. Chairman.

Back when I had some power, when I was in the State legislature, as I said I did have an opportunity to witness the creation of the GATEWAY program. And I think Ms. Sale make a very salient point when she talks about the need for that flexibility.

Certainly in my area, where this program does work, it was driven by local situations—dislocations, plant closures, and they were able to come together and exercise the flexibility that was granted to them by the State to respond to those local needs specifically in a diverse realm such as New York. That's very important. I think that is something critical in the mix as we go forward. And I know you recognize that, but I think it is worth underscoring.

The other thing I would just say is, welcome, to Deborah, and carry my greetings, please, back to the Lieutenant Governor. He was always kind to me in his role of presiding over the New York State Senate and made me look pretty good. And now I am here trying to learn it all over again.

But that's all I care to say. Thank you.

Ms. SALE. Thank you.

Mr. PETERSON. Ms. Sale, these local—this GATEWAY or whatever it is called, do they overlap? Or how do they—PICs, private industry councils—or how does that work? How do they interact with them?

Ms. SALE. There are usually representatives from the PIC who are part of the local partnership of GATEWAY. So they typically work rather closely together.

They are not the same. GATEWAY has a local partner group, but it doesn't really have a governing body as the PIC has, but it pulls

in representatives of service deliverers, of State entities, of the PICs, as I said, of local employers, of labor unions and others who basically come together to try to solve a problem and figure out what services clients need in their area and really work out a service plan for those clients. So they are part of the process.

Mr. PETERSON. GAO says that a lot of the Federal programs don't have outcome standards or reports.

Ms. SALE. Yes.

Mr. PETERSON. And among those that do they have different requirements and all this. How do your State agency performance outcome reports relate to the Federal data? Is that a problem?

Ms. SALE. Yes, it is a problem. It is a very severe problem. It makes it very hard to really compare these programs one to the other. It makes it—in our—

Mr. PETERSON. Do you think it is as easy as Mr. Carnevale said? That we are going to just have a commission and they are going to get to this and we are going to have—do you think it is going to be that easy?

Ms. SALE. I think Mr. Carnevale has some exceptionally good ideas, and we agree with him on most of them. I don't know that a commission is enough.

In our case, without leadership from the Governor's office, I don't think it would have been possible to do this. The natural tendency of bureaucracies is to hold on to turf. And unless there is a force that is larger than the bureaucracies to say we are going to talk to each other and maybe give up a little turf or maybe the whole will grow if we all work together and share, if there isn't someone forcing that relationship, at least at the outset, it doesn't—

Mr. PETERSON. And your Governor did it at the State level.

Ms. SALE. And I suspect the OMB could do it here.

I don't believe—I mean, the President—the OMB working on behalf of President—I can't really imagine anyone else in the Federal Government really having the clout to do that.

Mr. PETERSON. Do you think they are interested in doing that?

Ms. SALE. I think perhaps you could ask them. Well, the President certainly seems to be interested in doing that, and his record. I grew up in Arkansas I have to admit.

Mr. PETERSON. Maybe you shouldn't admit that.

Ms. SALE. Perhaps not.

But his record in Arkansas showed that he is interested in these issues and, therefore, might be more willing to give more power to the States than most people in his position would be. And that, you know, sometimes he feels that way but people below him begin to say, oh, but if we give it up we will never get it back. And to really force that kind of collaboration. I think it certainly is worth posing the question and seeing if you get a result.

Mr. PETERSON. Ms. Dunn can you give us some specific examples where Federal or State laws get in your way—

Ms. DUNN. Yes.

Mr. PETERSON [continuing]. And cause problems for you or for your participants?

Ms. DUNN. Sure. Perhaps TAA, the Trade Adjustment Act, is one of the more serious stumbling blocks we have. We have an awful lot of dislocated workers in Minnesota who are both eligible under

the EDWAA program and under the Trade Adjustment Act. And because those two programs don't work well together, both programs suffer, and the worker is never able to access the full realm of services that are available.

Specifically—TAA really is directed to providing training, and that's about all that they want to provide. A dislocated worker needs a lot more services than simple training—tuition reimbursements and that kind of thing—in order to pass through that transition period. So they will look to the dislocated worker program to provide the support services and the basic readjustment kinds of services.

That ought to work very nicely. The problem with it is that the regulations under a dislocated worker program require that you spend 50 percent of your budget on training and not more than 20 or 25 percent on support service kinds of needs.

The result of the impact of TAA on a dislocated worker project is the dislocated worker project isn't spending the money it needs to in training. Its overall budget is reduced. Therefore, its budget for support services are reduced, and nobody gets the amount of support services that they need to have.

Also there are a number of strange regulations that happen simply within the EDWAA regulations. For instance, a dislocated worker provider who has a participant that goes through training and learns a new set of skills but, unfortunately, gets rehired by the employer who dislocated them, even if it is a new job with a whole new set of skills with no seniority accompanying the hiring procedures, the program doesn't get to count that person as a placement. They become a negative strike against that program.

So when we start talking about what the performance standards on a dislocated worker program need to be we need to look at those conditions that we are setting up in the law that don't allow us to perform the way we need to—toward the overall goal, which is to return them to employment.

I think there has been some discussion in Minnesota about different ways to implement performance objectives or ways to gauge performance. One of the topics they talked about is—I think Mr. Carnevale or Mr. Crawford was speaking earlier about the fact that these dislocated worker programs or the employment programs really don't train anybody. It all goes into administration.

So one of the ways Minnesota wanted to make sure that the dislocated worker programs were actually putting people into training was to require a certain amount of "seat time" at a vocational college. The person had to be at the school a certain number of hours in order for that to be a legitimate kind of training experience.

I think it is fairly obvious that all of the education field is turning away from that kind of a performance goal because it doesn't matter how long a person sits in a classroom in a technical college or anywhere. What really matters is if the training gets delivered in a way that the client can ACCESS and that training directly relates to the eventual placement.

So I think it is very important that while we are looking at performance standards that we think rationally about what's really important under a dislocated worker program for a provider to perform.

Mr. PETERSON. Do you think a major consolidation of the Federal programs might hurt your ability to serve special needs or groups that have nontraditional training like for women or other groups?

Ms. DUNN. Yes, we are concerned about that. The one-stop career center concept is a good recommendation. It is true that people need to have a point of access, an information delivery kind of system that will facilitate their access to all the programs that they are eligible for.

The concern we have is that if that one-stop career center is so narrowly defined that it only becomes a government-operated program that the initiatives of the public and private sector—sorry, the private sector get minimized in that.

The way that service bureau is able to operate right now we have not only the involvement from the Teamsters and pulling their resources into our programming but also the companies that are laying off the dislocated workers and other community agencies that are interested in returning people to full employment.

I am very concerned that if the career center option is implemented in a way that precludes us from delivering services to union people and other workers in the State of Minnesota it will preclude other folks from being involved as well. Then we are, in fact, going to minimize the range of services that could be available.

So as we are looking at consolidating programs—and there is no doubt that the 155 programs need to be consolidated or redefined so that they work better together—still I encourage the committee and everyone who is looking at this issue to keep in mind that there is an investment by the community in their workers who are being dislocated. And we see this in the rural areas in particular.

Representative Peterson, in your district I know this to be true. It has been true in other parts of Minnesota, where the entire community gets behind a dislocation effort in terms of going out and trying to find some way to stimulate the economy, bring somebody in to replace that plant that is being closed.

We had a project down in Fairmont, MN, where the high school band showed up to play for the dislocated workers when they came to their orientation. I mean, those are the kinds of initiatives that we don't want to see minimized. But if all the stakeholders aren't allowed to come to the table and have ownership from the beginning, we are going to lose that kind of possibility.

Mr. PETERSON. You were listening to this discussion about the information systems and all that.

Ms. DUNN. Yes.

Mr. PETERSON. In Minnesota, how far are we along in having that information available? Can you access information from all the different State and Federal programs in helping you do what you are doing?

Ms. DUNN. Not easily. There is a lot of planning going on toward that end. And, too, the States—

Mr. PETERSON. Who is planning it?

Ms. DUNN. The department of economic security. It used to be called jobs and training, but they just recently changed their name.

Mr. PETERSON. So the State is—have they got their information service, all of it, involved in that?

Ms. DUNN. Yes, and they have gotten input from all the service providers for JTPA programs. It is a huge endeavor that they are undertaking, and I think it has gotten bogged down in the quagmire somewhere, which is no big surprise.

Mr. PETERSON. So you would not agree with Mr. Carnevale that this is pretty easy to do.

Ms. DUNN. No, I would not. It has been very difficult to do.

The one thing that we have been able to do that's been kind of interesting is E-mail. So now we can—when we can't get the bureaucrats on the phone we can at least E-mail them.

Mr. PETERSON. Because they have PCs?

Ms. DUNN. Yes.

Ms. SALE. E-mail is an enormous help. If the whole government was on E-mail you would have much progress.

Mr. PETERSON. But that's a hard thing to do. Even in the House—it is not easy to get on the system here in the House. You have to get to be one of the chosen few that is going to lead the way on this. You've got to get a permission to sign up, and then it takes quite a while.

I tried to sign up for Internet a month ago, and I am still not on the system. And there is only, I think, 15 of us out of 435 that are being allowed to get on here. I mean, this is just the House.

And when you get into the agencies—you know, HUD has got seven different systems that don't talk to each other—antiquated mainframes, all this different stuff. Now they have got an eighth system that they are going to try to coordinate the other seven, and I don't think that one is going to talk to the other seven.

It just seems like every time we get into some of these details it gets worse, and it almost seems like we would be better off if we give every Federal Government employee \$2,000 and told them to go to Radio Shack. I'm serious. We would be a lot further ahead.

Ms. SALE. If you gave them a certain set of criteria for the kind of consistency you wanted across the system and said, "OK, here is \$2,000 and it has to meet these criteria," you probably would be better off. I don't want to minimize how—how much effort it takes to pull together systems that don't speak to each other, but it isn't impossible.

Mr. PETERSON. Part of it is just getting it hooked together and getting access to the phone lines. If you can get through the phone lines, it doesn't make any difference what machine you are talking to on the other end, if you are doing it that way. Where it gets to be a problem is where you are trying to hard wire these things.

Ms. SALE. And that's not necessary any more.

Mr. PETERSON. Then you get tied into a certain type of architecture and all this other sort of thing. Like I say, we ought to be able to do it, but with my experience in looking at these other agencies and how they are working toward this is I am skeptical.

Ms. SALE. One of our biggest challenges, actually, recently in the whole world of automation has been automating our unemployment system—I'm sorry, the worker's comp system. It is a huge, cumbersome system and figuring out what approach to take has taken us a very long time.

But what we found is that the capacity to do this is there. What you need is a design to come together, create an overall concept

and figure out how to do that most quickly. We finally decided that it really took someone from outside who didn't have a vested interest in protecting their particular system to work with us to do that.

Mr. PETERSON. Hard to find.

Ms. SALE. You basically have to have someone who is not going to provide you the system in the long run either on the private side.

Mr. PETERSON. Hard to find somebody that isn't tied into something or has some bias toward something.

Ms. SALE. That's true.

Mr. PETERSON. It is impossible unless you brought them down from another planet.

Ms. SALE. But it does exist. One of the things that I should say is that our employment system data could come into my living room at this point. We are that advanced in terms of our capacity to network and deliver that service.

Mr. PETERSON. In the State of New York.

Ms. SALE. In the State of New York.

Mr. PETERSON. But there are a lot of States that are not at that level.

Ms. SALE. There are a lot of State that aren't. But what our experience shows is that it can be done, and it needs to be done.

Ms. DUNN. Mr. Chairman, I would just add that in our workplace literacy program we had an opportunity to work with the national network that the U.S. Department of Education set up called OTAN. Their idea was to connect all the providers of workplace literacy programs so that everybody would know what everybody else was doing. And that might be one resource you would like to talk to as you look at this because it didn't work. So it would be one avenue not to go down.

For a multitude of reasons the information processing never materialized, and the Department spent a lot of money in getting us the computer and the hookup that we needed for all the providers.

Mr. PETERSON. Well, we have got a lot of examples of what doesn't work. We need to get more of what does somehow or another.

Ms. SALE. We would be very happy to have any of your staff or anyone else who would like to come to New York and see what we are doing visit us at any time.

Mr. PETERSON. OK. We may take you up on that.

We thank you both very much for being with us. We applaud what you are doing out there, and we hope that whatever we doesn't screw up what you are doing.

Ms. DUNN. So do we.

Mr. PETERSON. That it actually helps.

Ms. SALE. We will keep telling you if we think it will.

Mr. PETERSON. And we thank everybody for their involvement.

And the subcommittee stands adjourned.

[Whereupon, at 12:10 p.m., the subcommittee adjourned, to reconvene subject to the call of the Chair.]

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